

The **NATIONAL UNDERWRITER**

Life Insurance Edition

Congratulations, FIELDMEN!



★ Advancing
from \$100 Millions
in March 1937 to

\$202,760,713.00 by the end of 1943

★ Total Income 1943
Over \$14,000,000.00

★ Surplus to Protect Policyholders \$5,033,971.59

*Our
57th
Year*

**PROVIDENT
LIFE AND ACCIDENT
INSURANCE COMPANY**
Since 1887

*Our
57th
Year*

Chattanooga, Tennessee

Life : Accident : Sickness : Group : Hospital

FRIDAY, FEBRUARY 11, 1944

They signify membership in two exclusive clubs!

UNION CENTRAL'S
500,000-DOLLAR
CLUB

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CLUB



★Union Central representatives who use these distinctive emblems have evidenced outstanding sales ability.

They have earned club memberships by writing in a single year more than one-half million or one-

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We wish to take this opportunity to congratulate publicly these outstanding U. C. men and women, and to express our great pride and confidence in them.

**The Union Central
Life Insurance Company**
Cincinnati, Ohio

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Selling fans to Eskimos won't pay off the mortgage on the old homestead . . . nor will educational policies hold much appeal for the middle-aged. But for juveniles . . . ah! Doesn't the cash register sound wonderful?

What's in your sales kit? A wide range of policies for juveniles? . . . Annuities for elderly women? . . . Substandard facilities for the impaired? . . . Par and Non-Par? . . . Group? . . . Wholesale? . . . Salary Savings? . . . A&H . . . including Income Indemnity? . . . Cooperation based upon practical know-how?

Perhaps Continental Assurance can help you . . .

Nationally Known for Strength and Growth

Continental
ASSURANCE COMPANY
CHICAGO, ILLINOIS

Affiliates:

CONTINENTAL CASUALTY COMPANY
TRANSPORTATION INSURANCE COMPANY

Ex-Service Men Are Returning to Insurance Jobs

**Almost All Former
Employees Are Coming
Back These Days**

NEW YORK—Company executives, particularly personnel officers, are much interested in the high percentage of ex-service men who come back for their old jobs on being discharged. Inquiries showed that every former employee known to have been discharged has returned to his former company.

While the number of such cases is still much too small to constitute more than a straw in the wind, the companies are watching the records with interest, for it is important to know how many of their former people they can probably count on getting back. Guessing right on this point has a bearing not only on postwar planning but in some cases on current organization problems as well.

Would Have Wide Range of Choice

A point that may be significant about the unanimity with which ex-service men are returning to their old jobs is that now, if ever, they could write their own tickets in other lines of work in which they might conceivably be more interested than insurance. Not only is there the widely publicized manpower shortage but employers are falling over themselves to get men who are draft-proof.

In view of this, it seems likely that when the war's end releases men wholesale and there is no longer a dearth of employable males in civilian enterprises the insurance companies will not have to worry too much for fear that glamorous new projects will lure their former employees away to any great extent.

At variance with this record of consistent return to the fold are some of the statements made by men still in service when they come back to the home offices on leave. Quite a few of these men tell their friends that when the war is over they are going into aviation or some other activity in which they have acquired skill during the war. But the practical difficulties in the way of large-scale expansion of aviation and similarly seductive enterprises may dissuade many young men who are interested in financial return and steadiness of work more than blazing new trails in industry.

According to some employment agencies here, there is interest in an insurance career on the part of some of the army officers who have been returned to civilian status as the result of cutting down the large scale aviation training program. This development is so new that it is too early to tell whether it will amount to anything in easing the personnel shortage.

WILL BE CHALLENGE

Many of the former insurance employees who come back will constitute both an opportunity and a challenge to management. Many will have been educated, broadened, conditioned to responsibilities, made more adept at get-

J. L. White New Miss. Commissioner Is with Hartford Fire

Jess L. White of Jackson, who since 1932 has been special agent for Hartford Fire, has been appointed Mississippi insurance commissioner to fill the vacancy created by the death of John Sharp Williams, III. Mr. White is a boyhood friend of Governor Bailey. Mr. White is exceptionally well known in fire insurance circles in the state. He is a past most loyal gander of the Mississippi Blue Goose, the fire insurance fraternal organization.

Mr. White started in the insurance business as a local agent at Starkville and Maben, Miss., in 1921. In 1927 he became special agent for Columbus Fire of Columbus, Miss., and in 1932 went with Hartford Fire.

The term for which Mr. White was appointed expires January, 1948. In Mississippi the commissioner's office is elective.

Mr. White was born in Webster county in 1886 and attended Mississippi State Teachers College and Mississippi State College. He taught in the public schools about 10 years and took additional college courses in the interim. While teaching school he became an agent for Lamar Life.

He is past deputy most loyal grand gander of the Blue Goose for the Mississippi Pond.

ting along with their fellow-men and in general matured far more rapidly than if they had put in a like number of years at the old job.

These men should be a group that any company would be glad to get. Yet many of them who were earning from \$90 to \$125 a month with their companies and then worked themselves up in the army to lieutenant or captain are not going to be satisfied to come back to the same jobs they left behind unless they can see that the company has a plan for development into which they can fit themselves and get where they want to go.

Surgical Benefits Insurer Projected

Announcement is expected to be made, perhaps this week, of the formation of a stock life company in Maryland, to write surgical benefits exclusively. The projected company will be owned by strong financial interests and the program is to have the insurance sold to supplement the coverage provided by the Blue Cross hospitalization plans. The project has been developed in consultation with leaders in the Blue Cross movement. The Blue Cross organizations in most states are not authorized to sell surgical benefits and that is believed to be something of a handicap, as many individuals desire such indemnity as well as hospitalization.

Study Social Insurance in Canada

OTTAWA—The Canadian house of commons will set up a select committee to study and report on a national plan of social insurance, according to Prime Minister Mackenzie King. The committee, to report "on a national plan of social insurance which will constitute a charter of social security for the whole of Canada," will study existing Dominion and provincial social insurance legislation and similar legislation in other countries and recommend the most practical measures of social insurance for Canada, including health insurance.

Dineen Warns Agents Against Commingling Funds

NEW YORK—Because so many recent violations by brokers and agents were found to have stemmed from unauthorized commingling of companies' or clients' funds with the personal funds of the offender, Superintendent Dineen of New York has issued a warning that such commingling, without the express consent of the principal is a violation of section 125 of the insurance law, adopted in 1940, and will be dealt with as more than a mere technical violation.

Many of those charged with improprieties contended that they did not know that commingling of funds in the absence of express consent of the principal is forbidden, he said. While there are many cases where failure to observe the prohibition against commingling has caused no loss to the public or to the companies and while in such cases it is sometimes said that the violation is purely technical, Mr. Dineen made it clear that the department will not be able to regard such violations, whatever the circumstances, as being purely technical, particularly where the violation is complicated by other irregularities. He warned that violation of this provision of the statute, as well as of any other, will be taken into account in meting out disciplinary action.

Consideration of States Rights Bill Now Delayed

WASHINGTON — That the insurance states rights bill may be delayed for further consideration in Congress from a week to a month seems to be indicated. The legislative program for this week in the House does not call for action on the Sabath rule giving a green light to the bill.

No decision from the U. S. Supreme Court in the S. E. U. A. and probably, Polish National Alliance cases is expected before Feb. 28. The court on Monday announced it would recess to Feb. 28.

Instead of being a race between Congress and the court to see which would act first on the insurance problem, as the situation had been regarded by many people here, observers are beginning to wonder whether the disposition may now be to see which branch of the government may act last, legislative or judicial. A sort of Alphonse-Gaston act? The executive branch has already acted by instituting the S.E.U.A. case.

As expected, Senator McCarran, Nevada, has succeeded the late Senator Van Nuys as chairman of the judiciary committee, which has before it the states rights bill.

That another hearing on the states rights legislation may be held was indicated Monday by McCarran, after presiding as chairman, for the first time, over a meeting of the Senate judiciary committee.

McCarran is likely to become chairman of the insurance subcommittee. He left for Nevada, where he has a campaign for reelection. His return is not expected for two weeks or more. That means nothing further on insurance in his committee, probably, meanwhile.

Cal. May Develop Specialists

Plans for classifying examiners and having them specialize on one class of company are being considered by Commissioner Garrison, according to his report to the governor.

May Again Have to Postpone Pension Plan Deadline

**A. S. Hansen, Chicago
Consultant, Cites Great
Revenue Bureau Problem**

With the Internal Revenue Bureau swamped with filings of pension and profit sharing plans legislation may be necessary to extend the time for getting approval of such plans to Dec. 31, 1945, according to Arthur S. Hansen, Chicago consultant in the pension field, who addressed a well attended meeting of the Illinois Manufacturers Cost Association Monday evening. The original headline was Dec. 31, 1943, but the law had to be amended to set the date ahead to Dec. 31, 1944, and it now seems unlikely that the bureau can clear its desks by that time.

Two weeks ago, he said, 6,500 plans were awaiting bureau action and Mr. Hansen expressed the belief that there are twice as many plans in various stages of development that have not yet landed in Washington. He said he knows of one attorney who has 150 plans, none of which he has submitted as yet.

The prospect of a long delay in Washington should not, however, deter an employer if he decides that he wants to install a bona fide plan and if he is willing irrevocably to part with the money. If it is a reasonable plan, he said, the employer can assume that it will eventually be approved, possibly with reasonable modifications.

Fall Into Three Piles

The bureau, he said, has by this time examined enough plans to be able to sort them into three piles. There are those that are obviously not discriminatory and approval can be given forthwith. Then there are those that are patently beyond the pale and finally there are those that may or may not be discriminatory depending upon the facts of the situation. The bureau procedure in connection with the latter type of plan is to send it back with the suggestion that it may win approval if this or that change is made. The bureau questions any element of a plan that might turn out to be discriminatory under some possible combination of facts. The employer may then either modify the plan as suggested by the bureau or attempt to gain the approval of the original provision by showing that it would not in actual operation create discrimination in favor of officers, shareholders or highly paid employees.

Mr. Hansen said that seven plans in the Chicago area have been approved but he warned other employers against assuming that because some certain provision has been sanctioned in one plan it will be sanctioned in any other plan. For instance under one plan that has been approved one-half of the benefits are related to salary and one-half are weighted by length of service. Theoretically a system of weighting for past service may be discriminatory for the highly paid personnel but actually, in this plan it is not. The past service weight is only lightly emphasized.

If a plan in actual operation within the next five or 10 years is likely to provide disproportionately high benefits to high priced executives the chances

(CONTINUED ON PAGE 15)

Big Gains Recorded in 1943, Statements Reveal

MASSACHUSETTS MUTUAL

Assets of Massachusetts Mutual Life increased last year \$53,064,754 to a total of \$863,401,471. Surplus now stands at \$31,884,716, increase \$6,632,073. Government bond holdings increased \$49,190,000, which was six times the amount of new premium income and was more than the total increase in invested assets.

Total benefit payments were \$43,874,651 of which living policyholders received \$25,416,895. Life insurance in force is \$2,118,031,459, an increase of \$62,886,583. There were 543,159 policies and 13,077 annuity contracts under which more than \$3,750,000 was paid last year and 23,780 contracts providing for future annual income payments of \$13,428,000. New life insurance sales were \$137,736,115, increase 15%. There were 1,721 annuities sold providing \$1,057,200 annual income payments.

Net interest rate earned on invested assets was 3.44% as compared with 3.64 the previous year.

War mortality aggregated about 4 1/2% of the total and \$350,000 was set aside to cover claims that may be presented for policyholders reported missing in action and on war casualties not yet reported. Death claims on those who died as result of actual combat were \$219,550, aviation accidents \$265,505, deaths from other causes among the armed forces \$369,154.

Automobile accident deaths numbered 32 for a total of \$101,018 as against 102 for \$660,000 in 1941, the latest prewar year.

The total mortality was only 88% of the average for the 10 years preceding 1943 and lower than in any year since 1927.

NEW ENGLAND MUTUAL LIFE

Assets of New England Mutual Life now stand at \$627,713,000, which is an increase of \$52,336,000 for the year.

After setting up special reserve funds totaling \$8 million there was added to surplus \$5,580,000, increasing it to \$26,035,000. A special reserve of \$5 million was set up to balance an appreciation in the securities that are carried at market value under insurance department rules. Then the special real estate and mortgage fund of \$3 million which was drawn upon during 1942 for certain reductions, was restored to the original figure.

New life insurance issued amounted to \$134,581,000 which was 22% more than in 1942. With nearly one-third of the agents in uniform, the average individual production was the highest in history. Insurance in force stands at \$1,778,000,000, an increase of \$79 million. Mortality remained practically stationary at 45%. Insurance lapsed and surrendered amounted to only 1.3% of mean insurance in force, an all time record low figure.

SUN LIFE OF CANADA

Assets of Sun Life of Canada reached \$1,108,450,000 at Dec. 31. Government bonds now constitute 39.6% of assets. Surplus and contingency reserves amount to \$36,618,000. Rate of interest earned on assets was 3.72%.

Premium receipts in the United States are invested entirely in U. S. government bonds and more than \$55 million was so invested last year. Total investment in government bonds of the United Nations is nearly one half billion dollars.

Insurance in force stands at \$3,173,000,000 of which 31% is in Canada, 42% United States, 21% Great Britain and other British countries and 6% in other countries. New life policies issued amounted to \$214 million, an increase of \$13 million.

Payments to policyholders exceeded \$74 million. Since 1939, claims reported that are attributable directly or indirectly to the war numbered 1,668 and amounted to \$3,818,000 or 3 1/2% of total

claims. The general mortality experience was most favorable. More than 1,000 members of the Sun Life organization are serving with the armed forces and 22 have been killed through enemy action.

NATIONAL GUARDIAN LIFE

The National Guardian Life of Madison, Wis., shows in its new statement new premiums \$281,475, renewals \$1,454,034, total income \$2,503,114, paid policyholders \$958,064, total disbursements \$1,505,987, assets \$15,701,047 of which 36.68% is in government bonds, 13.62 public utilities, city mortgages 28.46, cash 2.98, surplus \$676,410, insurance in force \$60,926,819, gain \$3,759,201.

WESTERN & SOUTHERN

Western & Southern Life reports insurance in force \$1,276,865,648, gain \$103,000,000, ordinary increase \$45,796,477, industrial increase \$57,707,689, ordinary persistent ratio 94.8% first year, second year 82.3, industrial 87.3, assets \$243,000,000, increase \$22,662,000.

GUARDIAN LIFE

An increase of 15.1% over 1942 in new life insurance sales last year is shown by Guardian Life. Insurance in force rose to \$552,954,634, a gain of \$23,787,683 which was 76% greater than the 1942 increase.

Assets totaled \$177,467,049, up \$11,764,271. Surplus and general contingency funds were increased \$518,702 to a total of \$7,521,516.

Terminations were the lowest for any year since 1920 and repayments of policy loans were the largest in history.

MUTUAL SAVINGS LIFE

Mutual Savings Life of St. Louis in its new statement shows assets of \$19,458,290, lien reduction fund \$327,869 and net surplus \$804,651. There was credited during the year \$723,792 in reduction of liens on reinsured policies and there was added \$300,000 to the lien reduction fund. The real estate account was reduced by \$708,000 and \$1,100,000 was invested in government bonds which exceeded the gross premium income.

LOYAL PROTECTIVE LIFE

Loyal Protective Life's 1943 premium income was up 9.4%, with net investment income up 19% and assets up more than 22%.

During the year the capital was in-

New President



RICHARD BOISSARD

Richard Boissard, executive vice-president of National Guardian Life, Madison, Wis., has become president, succeeding his father, George A. Boissard, who is made chairman. He is prominent in insurance activities. He served as president of the Life Office Management Association and has done much work in connection with the American Life Convention.

Increased from \$400,000 to \$600,000 and surplus to policyholders increased more than 20%, going well above \$2,100,000. New paid life insurance exclusive of group was up more than 76% and insurance in force increased 30%.

New accident and health premiums in January were more than 40% above January, 1943, and new life insurance written was more than doubled.

Dubuque, Ia., Woman, 96, Receives Policy Proceeds

Mrs. Theresia Philipp of Dubuque, Ia., has become her own beneficiary under a life policy she took out with Mutual Life in 1904. She was 56 when she took out the policy and was 96 Feb. 8. Charles J. Stratton of the Davenport agency of the company gave her a check for the face value of the policy and dividends.

Census Bureau Gives 1940 Data on Insurance

WASHINGTON—More than 500,000 persons make up the "labor force in the insurance business," according to a new report by the Census Bureau of comparative occupation and industry statistics. The report shows the total number of persons over 14 years of age in the insurance business labor force in 1940 was 545,964 (except new workers).

The number of gainful workers in the insurance business, 1930, as published, was given as 507,284, which is now adjusted to the 1940 basis as 512,357.

The 1940 labor force (except new workers) was made up of 352,987 males and 192,977 females.

The Census report shows that the insurance labor force in 1940 included 39,735 proprietors, managers and officials (excluding new workers).

In 1930, Census had said, a total of 29,308 "gainful workers" were insurance proprietors, managers and officials. That figure, now adjusted to a 1940 basis, becomes 33,997. Ten years later, says Census, the labor force except new workers, in the insurance group of proprietors, managers and officials, included 36,903 males and 2,832 females.

Insurance agents and brokers (except new workers) in 1940 numbered 249,322, against 256,927 in 1930, which latter figure is now adjusted on the 1940 basis to 254,358. Of this group in 1940, 236,001 were males and 13,321 females.

"Operatives and kindred workers" in the insurance, finance and real estate business, except new workers, numbered 4,866 in 1940, according to Census, of whom 4,560 were males and 306 females.

"Laborers" employed in insurance, finance and real estate activities (except new workers) numbered 7,046, in 1940, of whom 6,897 were males and 149 females.

Census Bureau explains the "labor force" includes some persons who were seeking employment and that such force in 1940 is comparable to 1930 "gainful workers." The latter include some who might be temporarily unemployed but who would ordinarily work in insurance, Census states.

Expect Guertin Bills in Ky.

The Guertin bills, it is expected, will be introduced very shortly in the Kentucky legislature which is now in session. Commonwealth Life of Louisville is taking the leadership in getting the bills introduced under favorable auspices.

FIGURES FROM DEC. 31, 1943, STATEMENTS

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1943	Ins. in Force Dec. 31, 1943	Increase in Ins. in Force	Premium Income 1943	Total Income 1943	Benefits Paid 1943	Total Disburs. 1943
Acacia Mutual	119,178,275	9,895,682	5,202,905 ¹	67,111,602	514,372,294	46,369,158	13,883,954	20,748,275	5,966,855 ²	11,072,777
American Standard	3,609,794	285,786	2,254,144	2,528,661	37,422,768	1,072,619	729,581	943,489	496,541	695,749
Bankers, Ia.	306,845,812	23,253,156	18,719,662 ³	86,101,352	861,857,082	49,479,741	27,435,664	48,947,752	18,630,751	25,776,519
Boston Mutual	19,732,088	1,911,248	1,335,917	19,025,236	119,782,988	8,383,784	4,765,438	5,439,958	1,698,086	3,600,638
Confederation Life	160,202,061	11,563,902	12,215,185	55,736,593	602,975,206	33,058,364	17,234,428	28,153,896	10,250,224	16,060,897
Connecticut Mutual	498,069,868	41,984,130	21,793,160	104,825,307	1,225,835,932	59,662,247	48,372,652	82,215,018	26,122,746	44,257,177
Continental Assurance	53,025,774	7,659,837	4,801,465	34,585,540	443,429,979	40,611,240	9,871,204	14,754,610	3,877,055	7,419,780
Dominion Life	56,963,513	4,425,102	2,280,399	26,478,482	228,107,063	16,820,788	6,261,965	9,824,824	3,200,831	5,800,503
Eureka-Maryland	12,486,131	1,307,070	1,152,747	14,619,239	101,353,754	4,300,391	2,765,841	3,395,126	938,207	2,348,304
Federal Life & Cas.	1,876,524	171,192	931,070 ⁴	1,239,341	4,407,915	950,131	118,223	125,631	11,589	61,163
Fidelity Mutual	158,831,299	9,322,752	7,676,064	30,336,520 ⁴	404,927,737	14,454,633	14,538,173	26,542,829	10,239,027	17,995,576
Franklin Life	58,234,559	5,298,177	4,125,000	28,720,343	247,505,903	16,053,231	7,924,581	11,700,412	3,038,970	6,432,380
Homesteaders Life	4,798,598	105,771	94,558	2,417,450	17,186,233	646,429	537,059	797,410	238,019	753,472
Imperial Life, Can.	112,350,662	6,466,668	7,731,131	31,376,368	320,032,009	16,721,502	10,658,174	17,749,943 ⁵	6,385,164	11,302,537
Kentucky Central L. & A.	3,456,747	531,553	839,560	17,991,163	36,010,548	7,392,260	1,322,556 ⁶	1,749,943 ⁵	238,931 ⁷	1,414,613 ⁸
Lamar Life	21,030,759	2,028,746	1,800,000	8,757,774	86,389,181	5,220,231	2,415,748	3,778,188	811,922	1,742,916
Lutheran Mutual	15,522,160	2,409,868	1,653,043 ⁹	10,163,823	95,919,738	8,986,114	2,918,770	3,914,944	831,410	1,531,782
Monarch Life	10,370,881	1,465,275	2,052,191	7,850,232	36,303,001	7,232,071 ¹⁰	1,069,717 ¹¹	5,632,767	157,744 ⁶	4,221,682
Northern Life	27,466,849	2,140,448	2,140,842	18,397,930	123,485,244	5,902,060	4,404,478	6,395,583	1,888,693	3,966,227
Ohio State Life	28,941,391	2,526,441	2,843,364	14,258,941	125,284,072	8,248,516	3,612,668	5,574,200	1,464,037	3,060,015
Peoples Life, Ind.	13,460,393	1,023,499	1,209,603	8,294,813	62,938,586	3,872,190	1,668,246	2,308,391	669,405	1,305,996
Philadelphia Life	16,207,024	845,324	1,108,936	5,286,115	58,729,857	1,907,657	1,673,455	2,675,921	1,033,892	1,904,317
Provident Mutual Life	444,917,525	25,257,781	24,971,170 ¹²	59,082,559 ¹³	1,055,338,733	17,603,830	34,171,153	66,394,468	25,923,263	40,814,811
Policyholder's National	3,495,638	672,699	660,247	6,470,487	30,710,491	4,539,030	894,699	1,112,917	194,948	450,510
Reliance Life	168,309,813	14,726,594	7,208,398	59,743,938	592,658,801	5,478,521	20,447,719	30,270,719 ¹⁴	10,913,391	15,639,121 ¹⁵
Standard Life, Pa.	6,812,745	383,159	501,253	2,828,024	22,852,037	1,888,856	648,224	1,051,357	291,509	751,642
State Farm Life	9,567,487	2,040,243	1,226,517	28,283,765	122,747,947	20,112,249	2,830,089	3,876,949	569,569	1,919,036
Sun Life, Canada	1,105,936,259	61,546,654	36,087,457	214,292,080	3,173,417,467	129,508,595	112,145,762	182,359,347	74,057,496	120,793,633
United Benefit Life	28,973,135	5,323,086	2,699,752	70,894,233	278,080,886	37,129,875	7,714,343	10,059,246	1,165,790	5,668,206
United Fidelity Life	10,299,544	1,171,225	1,451,559	7,850,348 ¹⁶	57,378,894	2,438,846	1,512,174	2,079,539	410,579	998,961
Volunteer State	30,371,537	1,875,446	1,748,061	10,314,503	108,919,451	4,698,429	2,925,671	4,705,079	1,549,479	3,019,929

¹Life only.

²Includes family income issued prior to 1943.

³Includes additions, excludes revivals and increases.

⁴Includes reinsurance, excludes policy loans reinstated.

⁵Includes A. & H. dept.

⁶Includes increased and revived.

Home Life Agency Heads Attend Four-Day Parley

In Force Reaches Half Billion Mark—Handsome Gains Recorded

Though producers who would have accounted for some \$9 million in 1943 were in the armed services, Home Life wrote 10.4% more new business last year than in 1942 and showed an increase in insurance in force which was 46.6% greater than the 1942 increase, an indication of quality business, E. I. Low, board chairman disclosed at a four day conference of Home Life General Agents and Managers. Assets increased by \$11,237,845 to a total of \$142,110,133. Home Life increased its war bond holdings by \$15,100,000 in 1943, thereby exceeding its pledge to invest an amount equal to its asset increase.

Mr. Low paid high tribute to the officers and department heads for the company's remarkable progress during the 20 years since he became active head. Since 1923 insurance in force has more than doubled and assets have nearly tripled.

Holleman Announces Results

V. M. Holleman, Washington, president Home Life Agency Association, said that because of Mr. Low's 20th anniversary the general agents and managers had dedicated January production to him and as a result of \$7,908,210 January business and the net gain in insurance in force the company had passed the half-billion mark with a total of \$503,234,635 in force.

Mr. Holleman presented to Mr. Low a handsome traveling clock on behalf of the agency association.

President J. A. Fulton stressed the fact that the company is committed to a well-balanced plan of operation throughout the entire organization that is a sound program from the standpoint of the policyholder, the agent and the general agent. He said Home Life is not going to adopt the latest fads in either policies or sales practices for the sake of temporary gains in new business at perhaps a more permanent cost to policyholders. He expressed confidence that the program which produced such outstanding results during 1943 will continue to be the soundest and most profitable program in the long run.

Cameron Gives Talk

Executive Vice-president W. J. Cameron emphasized the improvement in quality as well as amount of assets in the last 12 years and their effect on a company's ability to make progress under any possible unusual future financial strain. He called attention to the efficiency of home office operations which has made it possible to handle an increased volume of business despite a decrease in personnel due to the manpower situation.

Conviction, sincerity and enthusiasm, rather than well-organized sales procedures, policy contracts, net cost, salary, or previous sales experience, are the common denominator of success in life insurance selling, said W. P. Worthington, agency vice-president, at the closing session. Discussing conviction, Mr. Worthington said Home Life wants to know how much insurance a man owns before he enters the business, "for we think it tells us something about a man."

"Few people are clever enough to sell (CONTINUED ON LAST PAGE)"

Now Chairman



HENRY ABELS

Henry Abels, who has been in the service of Franklin Life 46 years and for many years past has been vice-president, has now been elected chairman of the board. He is one of the most prominent of the older generation of life insurance executives of the country and is a past president of the American Life Convention.

Hobbs Bill Hearing Feb. 29

WASHINGTON — Representative Weiss, Pennsylvania, has set Feb. 29 for a final hearing before his House post office subcommittee on the Hobbs bill to deny use of mails to insurance companies doing unlicensed business.

Sales Department Not Only One in Agent's 'Factory'

PHILADELPHIA — Likening the agent to a factory producing a highly essential product—security and peace of mind—G. P. Shoemaker, general agent of Provident Mutual, New York City, told members of the company's Paret agency at their annual conference that there are six other "departments" of the factory and that the operation of the "sales department" is almost automatic if the other six departments are functioning properly. If sales are not what they should be, the agent should check immediately on the other departments to see which one is falling down on the job.

Mr. Shoemaker listed these other departments as executive and planning, comptroller's, statistical, advertising and public relations, research, and manufacturing.

The executive department's principle job is planning and coordination of the work of all the other departments.

Fun, But a Waste of Time

"It has been said before that a salesman without plans for the future is like a train without a destination," he said. "It is fun to ride on such a train but certainly it represents a colossal waste of time."

The salesman's destination is the long term objectives which he seeks to attain for himself and his family.

Functions of the comptroller's department are the making of accurate estimates of probable income for the coming year, apportioning the estimated income among the various other departments, and keeping a constant and accurate check on actual expenditures. The agent who has not kept an accurate record of his renewal commissions, first

year commissions, and income from other sources, such as casualty insurance and the like, had better call in an auditor and go over his accounts at once. Without these records he will either underestimate his income and not allow as much as he should for the development of his organization or will overestimate and thereby head directly for the long road which leads to assigned renewals and debit accounts.

Must Do Own Apportioning

Mr. Shoemaker said that how much to apportion for living expenses and other expenses such as advertising, research, public relations and the like is something which the agent must formulate for himself.

"Find out how much money you needed in the past to produce a given result, which is a nice way of saying make some kind of a budget," he said. "And finally, don't be afraid to spend a dollar to make 10. Maybe you aren't but I've seen men who were."

The statistical department may seem like a dry-as-dust domain yet no one has a good enough memory to remember the minute details of the plans formulated by the executive department and without these records and analysis of past performances it is impossible to operate intelligently.

STATISTICS WEAKEST

"Planning and record-keeping are closely allied and often confused," said Mr. Shoemaker. "Planning tells you what you intend to do with your time. Records tell you what you did with your time . . . without attempting to set myself up as a prophet I would bet my bottom dollar that the statistical department of your business is probably one of the weakest of all departments."

The advertising department's job is to keep the salesman known. The agent must be sure that his advertising budget is adequate and that his advertising is continuous. The department is doing its part if the agent can answer the following questions with an unhesitating affirmative: Do you use direct mail and other advertising plans in an intelligent and continuous manner? Do you belong to all the social, civic and war organizations to which you have entree? Do you give as much time as you can to charitable work in your community?

The public relations department's job is to keep the salesman in contact with people not only so he will be favorably known but also so that he will know people to whom to sell. It is in this one department, more than any other, that the work of the entire organization often breaks down. Successful prospecting is not so much learning a new system as learning to use the one the agent already knows. He is faced with hundreds of thousands of good new prospects as a result of today's unique business conditions. These call for a complete change of pace, a general speed-up in selling methods, the abandonment of old, slow-motion tactics.

Fewer Centers of Influence

Centers of influence should be fewer, cultivated more assiduously, but more productive. Three good prospecting plans adapted to today's conditions are better than 10 plans haphazardly and sporadically used.

Every industry that survives these days has a research department working night and day. A sizable portion of the budget is allocated to this department. The agent must do likewise, devoting much time and a sizable amount of money to keeping up with the rapid progress of his profession.

Keep the Lid On

The cost of living, for some of us, is like the weather. We talk about it but don't do anything about it. When we hear that prices might get out of hand—start on a one-way trip straight up—we shake our head and let it go at that. But there are things that only we can do—each individual, for himself and his family.

1. Buy and hold War Bonds.
2. Pay willingly our share of taxes—including increased taxes—that our country needs.
3. Provide for our own and our family's future by adequate life insurance and savings.
4. Reduce our debts as much as possible.
5. Buy only what we need and make what we have last longer.
6. Follow the ration rules and price ceilings.
7. Cooperate with our Government's wage stabilization program.

So we see the cost of living isn't really like the weather—we can do something about it.

(From an Institute advertisement.)

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

The Connecticut Mutual Record for 1943

New Insurance Paid For \$102,649,366 —
7.9% greater than 1942

Gain in Insurance in Force \$59,662,247 —
40.5% greater than gain in 1942

Insurance in Force \$1,225,835,932
Policy Reserves and Policyholders' Funds \$462,041,949

Payments to Policyholders and Beneficiaries
in 1943 — \$28,894,566

Financial Statement

AS OF DECEMBER 31, 1943

ASSETS

Cash in Banks	\$ 7,462,704
Bonds: U. S. Government Obligations	55,789,234
Other Bonds	191,234,499
Stocks (Market Value)	17,421,931
Mortgage Loans	183,585,533
Policy Loans	26,403,571
Home Office Property	2,550,000
Other Real Estate	1,601,520
Interest Due \$192,741 and Accrued \$4,549,389	4,742,130
Net Outstanding and Deferred Premiums	7,278,746
TOTAL ADMITTED ASSETS	\$498,069,868

(Securities carried at \$200,000 in the above statement are deposited for purposes required by law)

LIABILITIES

Policy and Contract Reserves	\$394,923,301
Policyholders' Funds Left with Company:	
Under Optional Settlements \$43,192,698	
Dividend Accumulations	19,006,853
Advance Premium Fund	4,919,097
	67,118,648
Reserve for 1944 Dividends to Policyholders	5,700,000
Reserve for Taxes Payable in 1944	1,750,000
Liability for Outstanding Claims	1,304,558
Miscellaneous Liabilities	1,315,772
TOTAL LIABILITIES	\$472,112,279
Market Fluctuation and Investment Contingency Reserve	2,664,429
Mortality Contingency Reserve	1,500,000
Surplus	21,793,160
TOTAL	\$498,069,868

The Connecticut Mutual
LIFE INSURANCE COMPANY Hartford

Gen. Am. Gives 2% Service Renewals, Hospital Cover

Announcement is being made by General American Life at three regional meetings of general agents of an arrangement to pay 2% renewal commissions beyond the 10th year to full time agents who meet specified qualification requirements and group hospitalization cover for qualifying agents, both full time and part time, and their dependents on a contributory basis. The first meeting was held in Chicago last week. The next is at Tulsa and the final one at El Paso.

The addition of the 2% service commission is not accompanied by any reduction in the first year or regular renewal payment. These provisions are intended to enhance the security of the career agent and they are brought forward as part of a general program of intensified agency development under the leadership of R. E. Bowden, agency vice-president, and Frank Vesser, superintendent of agents. The management has given the green light to an accelerated agency program, and the general agents attending these conferences are exhilarated by the program and the initial steps that have already been taken.

Qualifications Are Told

To qualify for the 2% commission, a full time man must have in force at the end of 10 years \$500,000 and to continue to qualify he must produce a minimum of \$50,000 annually. If disabled he must have produced a total of \$250,000 of ordinary during the previous five years. If a man's first year renewal ratio for a single year is not 80% either by volume or by number, he loses the 2% for that year.

The group hospitalization cover is written in General American itself. It provides for the agent 31 days hospitalization at \$5 a day per confinement with unlimited number of confinements annually and surgical benefits according to schedule with a maximum of \$150. For dependents the benefits are \$4 a day and the surgical benefits two-thirds of those for the agent himself. There are full maternity benefits. The agent pays 75 cents a month for himself, \$1.95 if he has one dependent and \$2.35 if he has more than one dependent. The qualifications are one-half of the minimum club qualification.

The agency contract of General American is 60% graded and a bonus ranging from \$2.50 to \$1 per thousand is paid to both full time and part time agents for policies of \$1,500 and up. There is also an additional 5% renewal commission if the first year renewal ratio is from 70 to 80% and 7½% for better than 80% persistency.

General American set an objective of 80% first year renewal ratio for last year, an average policy of \$2,500 and an average premium of \$30. Actually the average policy was \$2,800 and the objective has now been set at \$3,000, the renewal ratio was 83% and 85% is the new objective.

The Chicago meeting was attended in addition to Messrs. Bowden and Vesser by Charles Fritschie, educational director; Otto Burian, vice-president and actuary; P. B. McHaney, vice-president and general counsel; E. E. Brill, vice-president for group; Frank Agnew, financial vice-president, and Robert Barrett, supervisor of A. & H. sales. Most of these men are attending the other meetings also.

Much new sales material was introduced. One item is a skillfully prepared set of illustrations. On one sheet for each contract is given all the information that is necessary to prepare a proposal. Then there is being brought out a monthly news letter for brokers entitled "Current Observations." The first issue contains information on the

changes in connection with the so-called 5% rule, an article about war risk insurance proceeds includible in gross estate of insured and one on non-contributory pension income fully taxable to employees.

Another sales aid is a blotter printed "My Hat's Off to People Whose Names Make News" with space for an agent to attach a picture or news item of a prospect. The use of this blotter, it is believed, will train agents to scan the newspapers with an eye to business. General agents were advised that General American is launching a trade paper advertising program with insertions designed a year ahead. There is a set of simplified programming sheets with a prepared presentation to go with each one. There is a pamphlet of questions and answers on social security to be presented to prospects and an analysis of social security benefits for the use of agents, to enable them to answer questions and to capitalize on the law in their selling efforts.

O'Brien Twin City Speaker

"The Medical Examiner, His Appointment, Training and Importance" was discussed by C. L. O'Brien, underwriting officer of Minnesota Mutual Life, at a meeting of the Twin City Home Office Life Club in St. Paul.



SPEAKING AT THE COLORADO SALES CON- GRESS, HERBERT HEDGES DEVELOPED A POWERFUL PARTNERSHIP IDEA.

MR. HEDGES ties the whole service of partnership insurance into the word, "WHY?"

TO EACH PARTNER, he says: "Why a partnership? Why didn't you start as a sole proprietor—then the whole business is yours!"

"BECAUSE I needed my partner's ability or cash or credit or prestige . . ." Then Mr. Hedges points out that if these values were great enough to induce a man to give up a sole proprietorship for a partnership, they are worth protecting.

SPEAKING OF BUSINESS INSURANCE, THE MUTUAL LIFE OF N. Y.'s study group for R & R's "Tax & Business Ins. Course" is now underway. The group to date numbers 206—a fine testimonial to the sound educational program which BEN WILLIAMS, EDUCATIONAL DIRECTOR, has built for THE MUTUAL LIFE.



PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

Study of Insurance Range of Pay Is Analyzed

WASHINGTON — Twenty - three large insurers had an overall average increase in salary scales of 8%, January, 1941 to January, 1944, weighted roughly by the number of employees affected, according to data submitted Wednesday to the Pepper senate subcommittee studying white collar workers' income by H. L. Hinrichs, director bureau of labor statistics, Department of Labor. Companies reporting were primarily in the east and middlewest, and employed about 60,000.

Of companies reporting four showed no general salary increases, nine showed percentage increase in earnings attributable to general salary changes ranging from 5 to 10; five showed increases from 10 to 15; three from 15 to 20; two, 20% or more.

Tabulations made in the spring of 1943 for 38 additional companies in New England showed average increase of 4.4% up to that time.

Increases shown do not include merit increases or other types of individual adjustments. Total earnings were increased in many companies by lengthening hours and liberalizing overtime payments.

A table was submitted showing straight time average hourly earnings in insurance companies in 10 cities, spring-summer, 1943. Companies are divided into groups: northeastern, southern, western states.

According to this, women cancellation clerks ranged from 49 cents in Baltimore to 79 cents in San Francisco; cashiers from 54 cents, Houston, to \$1.63, Los Angeles; claim clerks 56 cents, New Orleans, to \$1.23, Baltimore; map clerks, 47, Baltimore, to \$1.02, Boston; female searchers, 48 cents, New Orleans to 85 cents, San Francisco; underwriter clerks, male, 63 cents, New Orleans, to \$1.15, Los Angeles, female, 56 cents, Austin, to 77 cents, Los Angeles and Portland, Ore.

Average weekly wage and salary incomes (including commissions) of an estimated average number of 575,000 employees in insurance increased from \$32.71 in 1939 to \$37.33 in 1942, or 14%. It stated "preliminary information indicates that the percentage change from 1939 to 1943 was about 25%.

Industrial Agent

One of the witnesses who testified before the subcommittee was Lewis Merrill, president of United Office & Professional Workers of America. He spoke in the interest of the industrial life insurance agent, stating that the earnings of the agents have gone up but this is largely because the debits have increased in size. That means the agents are doing more work, he said. However, when there are more wage earners than in any previous time in history and when they have more money available for insurance than they have ever had there is a drop each year in the new sales of industrial insurance. This is true, he declared, because during a period of rising prices the agent has to spend more money to keep up his home and can spend less for the promotion of new business. Proper compensation of industrial agents, he declared, is a direct means of increasing the sale of insurance and it has a great bearing on vital questions before the nation.

The question of the continual expansion of the insurance business is more important to an insurance company than any question of the amount of compensation they pay their employees. He argued that the equity in policies that have been sold in the past is guaranteed by the constant increase in the amount of insurance sold today and tomorrow and it is in the interest of the nation that the insurance companies get this business. The cost of the promotion of new

business, he contended, falls primarily upon the agent. He has to make the financial investment in promotion activity and that investment is not reflected as a reimbursement for expenses paid out. It is all reported in the form of salary.

Discuss Pension Trusts

CINCINNATI — C. V. Anderson, leading producer of Provident Mutual, and L. B. Scheuer, general agent State Mutual, took part in a panel discussion of pension trusts and profit-sharing plans before the Controllers Institute of America meeting here. They discussed

the history, characteristics, applications, tax aspects and probable future of pension trusts and profit-sharing plans.

48-Hour Warning in Hartford

HARTFORD—The War Manpower Commission has announced a "stiffer" policy in the granting of exemptions from the 48-hour week working schedule in the Hartford area, on the eve of its quarterly re-survey.

Area Director Ennis said it is highly probable that those who have previously been granted exemption will find themselves on the 48-hour schedule after the present survey has been completed.

No blanket exemption for any extended period of time can be granted, he said.

Insurance companies in the area are among the relatively few business and commercial establishments now working less than a 48-hour week, although the schedule has been advanced from 37½ to 41½ weekly, on an average.

Aetna Buys \$66½ Million

Aetna Life has purchased \$66,500,000 in government bonds in the fourth war loan drive, bringing the total of government bonds held to more than \$420 million.

"Who, ME?"



YEP, you! This time we're talking to *life underwriters*.

That other ad you have in your hand, we ran some months ago. It was addressed to service men — explaining the advantages of Uncle Sam's NATIONAL SERVICE LIFE INSURANCE, and urging them to buy the full \$10,000.

A flock of friendly letters thanked us for our advice, and many Army and Navy insurance officers seem to feel that the ad helped contribute to this very heartening fact:

Over 95% of the men in military service today have NATIONAL SERVICE LIFE INSURANCE

averaging better than \$9000 for each man — more than twice as much as the national civilian average per family.

Does this mean that *your clients* care less about *their families* than the fighting man does about *his*?

Of course not. It means simply that far too few civilians are realistic in recognizing the daily hazards that take their toll on the home front.

Isn't this a situation that *you* can do something about?

NEW ENGLAND MUTUAL Life Insurance Company of BOSTON

GEORGE WILLARD SMITH, President

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA — 1835

Life Companies' Income Tax May Reach \$30 Million

NEW YORK—As a result of the reduced reserve deduction factor promulgated by the Treasury and the increased investment income for 1943, life companies will probably pay slightly more than \$30 million this year on 1943 income as compared with about \$25 million which they paid last year on 1942 income.

Assuming an investment income in 1943 exactly equal in dollar volume to that of 1942, the change in the reserve deduction factor from 93% to 91.98% would produce an increase of about 15% in amount of taxes. However, there was an estimated increase in total life company assets of about 8.5%. If the rate of income on invested assets were the same in 1943 as in 1942 the application of the 91.98 reserve deduction factor would result in an increase in taxes paid amounting to about 23.8% over the previous year's figure, or a shade under \$31 million.

Ratio to Assets Lower

However, it seems probable that in 1943 investment income bore a smaller relation to assets than in 1942, and that hence the \$30 million figure would be a closer estimate than \$31 million.

The reserve deduction factor, the formula for which is expressed in the law in rather complex language, is intended to be the proportion of its net investment income which the average life company needs to support its policy reserves and other interest-bearing obligations, such as dividend accumulations and funds held under settlement options.

Lowering of the reserve deduction factor indicates that on the whole the com-

panies in 1942 (the year on which the formula applying to 1943 income is based) needed only 91.98% of their net investment income to support their policy reserves and other interest-bearing obligations as against 93% the previous year. Factors in this were a greater tendency to get non-interest bearing funds out at interest such as in war bonds, and the fact that a number of defaulted bond issues, notably railroads, paid up back interest.

Selection Men Map '44 Plans

The executive committee of the Institute of Home Office Underwriters is holding a meeting Feb. 26 to plan for the 1944 meeting. R. T. Sexton has been named general chairman for the 1944 meeting; R. B. Caplinger and William A. Field have been made responsible for the ordinary case clinic; N. T. Weaver and D. B. Alport, for the industrial section; W. H. Harrison and Carl W. Huber for the formal papers, and R. A. Burke and Max Shoemaker, for the round table.

Douglas May Return to Mutual

L. W. Douglas, deputy administrator for vessel utility and planning of the War Shipping Administration, will soon return full time to his post as president of Mutual Life, according to a rumor circulating in Washington. It is understood that he has prolonged his period of WSA service far longer than he originally intended.

Coolidge Second Vice-president

R. B. Coolidge, superintendent of agencies of Aetna Life, has been elected second vice-president. G. C. Streeter and J. F. Heckman were named assistant secretaries. C. B. Johnson and J. Dexter Walcott, Jr., were advanced to assistant secretaries in the group department. R. W. Wilkinson and W. Wiles Craig were named field supervisors.

Behr Is Equitable Leader with Many Millions Volume

Louis Behr led the entire Equitable Society field force last year with the equivalent of about

\$2,750,000 of ordinary business and placed several times that amount in other companies, some of which he also may prove to have led when standings are published.

He wrote a large volume of pension trusts in 1943, which called mainly for retirement income contracts.

The large volume of surplus lines placed in other companies was due to the great size of some of the cases. Equitable Society accepted as much of his business as it could absorb.

Mr. Behr has led Equitable's entire field force in four years.

There were 18 others who qualified last year as members of the Equitable's Million Dollar Club, of whom two were members of the Samuel Lustgarten agency of Chicago, as is Mr. Behr. These were Isadore S. Stein, and Harry Steiner. Mr. Stein paid for \$1,300,000 in Equitable, and in January this year paid for \$100,000, being second man for the month in the agency. Mr. Steiner paid for \$1,200,000 last year. John Morrell, who many times has qualified as a "millionaire," paid for \$140,000 in January, taking first position in the agency.

Others Who Are Millionaires

Harry T. Wright, past president National Association of Life Underwriters and past chairman of its Million Dollar Round Table, and M. Lee Alberts, both of the Woody agency, qualified for the club. The others were: Woods agency, Pittsburgh, John M. Pfeil, Lisle A. Spencer and Mark B. Higgins; New Orleans, C. D. Oakley and C. M. Zaenglein; Philadelphia, Samuel W. Fields, Mitnick agency, and Jack Hoffman, Levy agency; Dewar agency, Los Angeles, Stanley S. Leeds, and M. W. Kelso; Ron Stever, Los Angeles; F. S. Goldstandt, New York; Leo F. Duax, Milwaukee; George Klein, Jr., Maxcy agency, Buffalo; T. J. Brownlee, St. Louis.

There were 1,628 agency club members at the end of the year, an increase of 77 over 1942. The total represented a higher percentage of the entire agency force than at any time in the society's history. Included in the list are the names of 116 women.

Nylic Plan Credited with Production Record of Central Division

Central department of New York Life in Chicago under direction of Lloyd Lafot, inspector of agencies, paid for \$26,243,961 of life insurance last year, excluding pension trusts, annuities, group, etc. It had a 10% increase in business over 1942 just on life insurance, and in Chicago alone. The lapse rate was the best in the history of the Central department.

The 1943 record was made with at least 90 fewer agents, as that many have gone into the service. In addition, quite a number have been attracted by the high wages offered in war industries. The entire production came from seven branches.

A significant factor in the 1943 record was that the earnings of agents have shown a tremendous improvement. Nylic, the life income and retirement plan unique with New York Life, is felt to be very largely responsible for

Army Considered Group Cover for People in Service

WASHINGTON—An allotment of \$5,000 to pay for actuarial services pertaining to the U. S. government and National Service Life Insurance funds, is provided for by Congress in the independent offices appropriation bill, on recommendation of Veterans Administrator Hines. This actuarial service is to be obtained by contract, without obtaining competition.

National Service Life Insurance is operated on an actuarial plan, Gen. Hines said recently. Technical insurance problems incident to the proper management of this fund constantly arise, and it is essential that actuarial service advice be secured through a committee of outstanding experts in the field, and "I expect to have not only our operations reviewed by a board of three or four of the best actuaries we can get, but also to make sure that the policies we are operating under are sound."

The administration recently announced the appointment of an actuarial advisory committee, which has met at least twice with veterans officials. The \$5,000 item is to pay their expenses when they come to Washington.

Hines has disclosed that the War Department at one time suggested it would be simpler to issue group insurance for the whole army at a low rate of \$2.50 per month. He admitted the group plan looked simple and said it might save a lot of bookkeeping but said he was sure it would have cost the government "billions of dollars" in the end, because the amount was inadequate. Gen. Hines said he felt adoption of such proposal would have resulted in "legal and administrative chaos."

The total number of national service applications received to Nov. 30, Gen. Hines said, was 13,436,000 and the estimated amount of insurance represented by them was \$97,619,373,000. That was an average of \$7,205 per policy, or \$8,753 per life covered.

Gen. Hines expressed the opinion that this insurance will be self-sustaining "simply insofar as deaths are due to normal causes not including war hazard." The \$500 million appropriation for national service life would cover this extra hazard, Gen. Hines estimated, for the time being.

As to the ultimate liability of the government under this insurance, Gen. Hines said it would depend upon factors which he proceeded to state as including number of men in combat, character of combat, number killed as against wounded. He pointed out that the policy matures in case of death, but not upon total disability, although premiums are waived in the latter case.

Gen. Hines said that over 91% of men in the navy are covered in some amount, while in the army he estimated coverage ranged from 80% in some units to 95% in others.

Gen. Hines thought the army group insurance plan would have cost the government at least \$10 billion.

the good record last year and the comfortable position in which the agents found themselves. New York Life has more than 115 Senior Nylics in Chicago. With so many men gone from the staff due to war, the main responsibility for continuing satisfactory production fell back on the older men who are operating under the Nylic system, and many of whom have qualified for their Nylic life incomes. These experienced career men came through nobly, according to Inspector Lafot.

Hoosiers Exceed Quota

The quota in the fourth war loan campaign for the Indiana life companies was \$20,000,000 and indications are that it will be exceeded by \$1,120,000.

MOTHER KNEW BEST

When you were a youngster and your mother was anxious for you to make a good impression, did she ever caution you: "Now, remember, pretty is as pretty does?" If so, you can profitably apply her counsel to your life underwriting activities. Conduct yourself and your business on the highest levels of integrity, industry, and service and people will soon be telling each other that you are a good man to buy insurance from. From such a reputation springs prestige, and in your profession prestige is a passport to plentiful progress.

LIFE INSURANCE VIRGINIA

"The Natural Bridge to Security"

Bradford H. Walker, President

Home Office: RICHMOND

ESTABLISHED 1871



Opportunity for high grade Home Office

DIRECTOR OF FIELD SERVICE
and
AGENCY ASSISTANT

One who can originate sales promotion plan and is experienced in Home Office Agency Department. By aggressive California Company. Give full data in first letter. Information will be held confidential. Address V-14, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Byrd Bill Provides for HOLC Liquidation

WASHINGTON — Senator Byrd, Virginia, has offered a bill to facilitate liquidation of HOLC through transfer and cash sale of its assets to insurance companies, banks, and other institutions and individuals by June 30, 1946.

HOLC under the bill is directed as rapidly as is practicable to sell and transfer its mortgages, home-purchase contracts, repossessed real estate, and other assets.

All loan accounts shall be listed, with a short description of each loan and its present status, and offered for sale by places and counties and in blocks so as to encourage bidding by individuals and the smaller home financing or mortgage-lending institutions, as well as by the larger home financing or mortgage-lending institutions. All bids equal to present balances or better shall be promptly accepted and all bidders shall contract to continue the 4½% interest rate prevailing at the time of purchase and to continue all other terms.

Property owned and that which HOLC is in process of acquiring title shall be sold, giving present occupants the first opportunity to purchase at current appraised values. Down payments as low as 10% are authorized, and with terms not exceeding 15 years. Sales contracts and mortgages originating under this section shall be sold to private enterprise institutions if possible, but, if not so sold, shall be transferred to FHA.

Charge H. M. Reager, Jr., of Louisville with Conversion

LOUISVILLE—Harry M. Reager, Jr., life insurance agent, was arrested and released on \$1,500 bond, charged with conversion to his own use of \$5,000 in cash turned over to him four years ago to buy an annuity policy, by Mrs. Sally Leomker, 66-year-old widow, who charged she had been unable to obtain anything from Reager but promises.

It was alleged that Reager at the time of accepting the money was working for his brother, Allen M. Reager, head of Allen M. Reager & Co. The latter agency issued a statement to the effect that Harry Reager had not been connected with the agency for some years, and that a form letter had been sent out at the time he severed connection with the agency.

Redevelopment Law Upheld

WASHINGTON — Constitutionality of the New York redevelopment companies law was upheld, in effect, this week when the U. S. Supreme Court refused a writ of certiorari to review a lower court's decision sustaining the law. The case, No. 616, was Murray vs. Mayor La Guardia of New York. The latter urged passage of the law to interest insurance companies and other investors in slum clearance projects in New York. Metropolitan Life has such projects in New York, actual, and prospective, post-war.

Connecticut General Promotions

Connecticut General Life has advanced E. C. Henderson to vice-president and actuary; C. Manton Eddy to vice-president and secretary; A. L. Joyce to secretary of the reinsurance department; W. T. Gambel to manager of the farm mortgage department. P. E. Britt and S. D. Williams become assistant secretaries.

Asks Veterans Paid Up Cover

WASHINGTON—Issuance of a paid up ordinary life policy to each veteran as discharged from the armed services is provided for in a bill introduced by Representative Lemke of North Dakota.

The bill authorizes the Veterans Administration to issue such policies at the rate of \$100 per month for service prior

to Dec. 7, 1941, and thereafter at the rate of \$300 a month for overseas service, and \$150 a month for home service. The maximum of such policy is fixed at \$10,000. Policies could be pledged for loans from the Veterans Administration up to 85% of the face amount and would be repayable in 20 equal annual installments with 1½%.

Prudence Life Law Suit

A case is pending before Circuit Judge La Buy at Chicago to determine which of two sets of officers and directors of Prudence Life of Chicago that claim title to the positions shall be recognized. Prudence specializes in hospitalization. Alfred Holzman, the founder, and who claims to be chairman and his associates brought the suit against H. W. Wettaw who claims to be president, and his group.

It is alleged that the Wettaw group proceeded to hold the annual meeting last Oct. 10, despite the fact that it was a Sunday. The Holzman group concluded an annual meeting the next day and elected Carlyle Durfee president. Durfee, according to the bill, sought to take office Oct. 12, but Wettaw refused to surrender his position.

U. S. Chamber Plans SS Conference in Chicago

WASHINGTON — A second social security conference of the U. S. Chamber of Commerce, to be held in Chicago, is under consideration, it was announced in connection with the recent chamber board of directors meeting here.

Eastern Round Table Meet

The Life Advertisers Association announces that the Eastern Round Table will meet at the Belmont Plaza, New York City, March 23-24. H. M. Kennedy, Prudential, is chairman.

Defines Legal Reserve

The companies have for a long time sought to explain successfully to policyholders the true function of "legal reserves" in their annual statements. Kansas City Life in its report to policyholders for 1943 offers its interpretation. This item is listed in the statement as: "Legal reserve, which is the amount of future policy claims payable on past income, \$134,948,464."

Conn. Mutual Men Numbering 225 Join "Dependables"

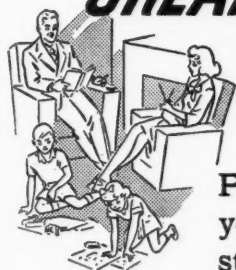
Last year, 225 Connecticut Mutual men and women in the field attained membership in its honor organization, the "Dependables." Compared with 1942, membership increased 7% in number in spite of the large number of men now with the service or in war work. Of those eligible 69% actually qualified in 1943 as against 46% in 1942, an increase of 23 points. Occupying a high position

Purdue Courses Under Way

The first of the short courses on life insurance at Purdue University, Lafayette, Ind., was held last week. It dealt with principles of life insurance and the technique of selling and was designed especially for those who have never completed an organized course of study or wanted to review the fundamentals.

This week is given over to a comprehensive study of more advanced salesmanship, properties and their income in comparison with life insurance and current problems affecting life insurance.

GREAT-WEST LIFE Policyholders BUILD SOUNDLY IN 1943



Policyholders in the Great-West Life shared a notable year in 1943. The results achieved, which reflect outstanding teamwork between an alert field organization and the services of this Company, are indicated by the following items taken from the Annual Statement:

1. Insurances and Annuities in Force	- - - - -	\$759,131,250
2. New Business Placed	- - - - -	101,022,443
3. Assets	- - - - -	203,789,801
4. Liabilities	- - - - -	195,462,751
5. Capital, Contingency Reserve and Surplus	- - - - -	8,327,050

A complete report, showing the strong position of the Company, is available. Again, it gives striking evidence of how men and women in the United States and Canada are making financial provision for their own future security.

The **GREAT-WEST LIFE ASSURANCE COMPANY**

HEAD OFFICE - WINNIPEG, CANADA

EDITORIAL COMMENT

What Is the Purpose of Smearing?

Outside of the life insurance investigation in New York in 1906 when Charles Evans Hughes, later chief justice of the U. S. Supreme Court was prosecutor, we do not know of a single attempt of a similar nature that has ever resulted in benefit or improvement. The Hughes investigation led to the passage of the Armstrong laws, which were beneficial.

There have been several attempts to investigate insurance. Some years ago the Illinois legislature appointed a committee to probe into fire insurance resulting, however, in a report that was highly commendatory of the business. Webb McNall, commissioner of Kansas, Governor Pingree of Michigan and attorneys general now and then have attempted evidently for political reasons to probe into insurance to discover some hidden Senegambian but nothing has been accomplished. The so-called committee of 15 of central western states attempted an investigation of life insurance following the New York probe led by Governor Johnson of Minnesota and Senator Cummins of Iowa.

Perhaps the most formidable venture of this kind was the TNEC investigation of life insurance under the auspices of the Securities & Exchange Commission. An attempt was made to smear the business but after all the verdict was that life insurance was conducted along creditable lines. Here and there some weak sister is used as a dreadful example and yet it is a most unusual case.

The great body of insurance companies are conducted honestly and ably. Almost all the investigations were aimed to publicize those that were investigating solely for political purposes.

The Enemy Selects the Weapons

There has always existed in the insurance business, as in others, two philosophies of meeting situations which involve the relations of the business with the public. One of these is to be reasonable, hoping opponents will be reasonable; give ground and keep ground. The other is to fight vigorously, on the conviction that enemies

They made a lot of noise and attempted to create fury. They cost the taxpayers much money but the results were nil.

In this wartime various departments of insurance have offered their services and have joined hands with the government in rendering a great service. Such organizations as the National Board, Association of Casualty & Surety Executives, National Bureau of Casualty & Surety Underwriters, Life Presidents Association, American Life Convention and others have all put their shoulders to the wheel. Yet in the face of this, insurance is being slapped in the face by its traducers. In spite of the fact that as an industry as a whole insurance stands at the very top of well ordered, well regulated businesses, there is an effort on part of the federal government to create a suspicion that something is wrong. We find the Department of Justice and some of the members of the House and Senate are holding their noses pretending that there is something foul smelling about insurance.

Take, for example, the Southeastern Underwriters Association indictments at Atlanta. The fire insurance business has been conducted as it is now for the last 25 years or more. There has been no great change whatever in its mechanics or procedure. Yet in the very midst of the war when all businesses are harassed and carrying heavy burdens the government sees fit to start prosecution. Why did it not do this 10 years ago or wait until after the conflict is over? The whole atmosphere seems to be suffused with poison gas. Evidently publicity hounds and ambitious politicians are in the midst of a hunting season. The people should be acquainted with the facts.

will push and shove, that if they get their foot in the door they will take over the whole house. The current efforts of insurance to meet federal attempts to establish control over insurance and to extend social security illustrate that it is the opponent who selects the weapons and determines the course of action that must be followed.

Office Letters to Men in Service

There is no more appreciated bit of service to men in the armed forces than the so-called company or agency letters that are sent giving news of those in

the organization, at home and their whereabouts and something about the men and women in uniform. A number of companies, organizations and agen-

cies have undertaken this work, getting out a sprightly newsy digest which is most welcome to those far from home. It is a fact that men in the service appreciate letters. They want to hear about those with whom they are acquainted and especially those with whom they were associated in business.

These monthly visitors are increasingly welcome. Someone in the organization is made responsible for the work and every bit of information that is of interest is jotted down and transmitted through this medium. Those who are in the service are grateful especially for small bits of information and detail.

PERSONAL SIDE OF THE BUSINESS

Special Agent **Aaron Dolin** of the St. Louis ordinary agency has completed 40 years with Prudential. He has in that period paid for in excess of \$10 million, and over \$6 million is still in force. For 28 consecutive years Mr. Dolin was among the 50 leading producers of the ordinary department of Prudential.

Fritz Mortinson of Glendive, Mont., has completed 10 years of membership in the Northwestern National App-a-Week Club and was presented a check for \$100 and a set of sterling silver candlesticks.

A daughter was born to **Orie D. Olson**, district manager of North American Life & Casualty, at Fargo, N. D., and Mrs. Olson.

Pan-American Life and its officials were active in welcoming Gen. Isaías Medina A., president of Venezuela, and his official party to New Orleans last week on his visit to the United States at the invitation of President Roosevelt. There was a reception and buffet supper sponsored by a citizens committee and Pan-American Life. Crawford H. Ellis, president of Pan-American, was general vice-chairman of the committee but due to a brief illness was unable to attend all the festivities. Dr. Edward G. Simmons, executive vice-president, took active part.

The University of Chicago civil affairs training school, concentrating in educating army and naval officers in Japanese and in all matters which have to do with Japan, has invited **Alfred Manes**, professor of insurance at Indiana University and coordinator of foreign area and language classes of the ASTP, to give some lectures on Japanese social and private insurance situation.

Henry F. Chadeayne, second vice-president of General American Life, has been elected president of the Social Planning Council of St. Louis and St. Louis County.

J. L. Lee, Detroit manager of Phoenix Mutual Life, has been elected vice-president of the Detroit Sales Executives Club.

Charles F. Collins, agency secretary of New England Mutual Life, has been appointed chairman of the Boston University 1944 alumni fund committee. He graduated in 1912.

Camile J. Jolly, Metropolitan Life, was honored at a dinner in Green Bay, Wis., on his 30th service anniversary. T. O. Kirkelie, manager, was toastmaster and J. E. Farwell, field training division, represented the home office.

Edward E. Waller, new Oklahoma state manager for Mutual Life of New York, was honored at a dinner in Oklahoma City. Ben Williams, director of training, presided. Speakers included E. Guy Owens, retiring manager, and

Harry Remington, training assistant from the home office.

Miss Adeline Johnson, cashier in the Max B. Jackway agency of Pacific Mutual Life in St. Louis, won the first major award under the suggestion plan of the company and was presented a \$100 war bond by Vice-president W. M. Rothaermel at a dinner in St. Louis.

Paul Larson, secretary of the La Salle County (Illinois) Association of Life Underwriters, announced the birth of a son, Paul, Jr.

C. R. Garrett, general agent of Northwestern Mutual Life in Peoria, Ill., underwent an operation last week and is in a hospital there recuperating.

DEATHS

P. G. Lapey, 72, president of the general insurance agency of Deuel Lapey & Co., Buffalo, who retired last August as general agent in Buffalo of John Hancock Mutual Life, died there from a heart ailment.

He entered the insurance business in 1904 with the late Herbert C. Deuel. The present firm is the outcome of that partnership. He was a former president of the Buffalo Life Underwriters Association.

Robert A. Anderson, 69, special agent of Northwestern Mutual Life in Philadelphia, died there after a short illness.

Harry Crow, formerly manager Northern Life's Everett-Bellingham district, died. He had been in poor health since January, 1943, when he was forced to retire.

Memorial services were conducted at St. Matthias church in Montreal for **Lt. Seth H. Taylor**, son of Seth C. H. Taylor, superintendent of eastern United States agencies for Sun Life of Canada, who was killed near the army air base at Ontario, Cal. While attending McGill University he enlisted in the U. S. Army in 1942 and was commissioned a second lieutenant in the army air force last November.

A. Stanley Moore, an agent of Equitable Society for 22 years, died in San Francisco following a heart attack. He joined Equitable in 1922 with the Wilmer Hammond agency in Chicago, going to San Francisco about 12 years ago. He was a consistent member of the company's Quarter Million Club.

Uses "Ads" for Statement

In the interest of conserving paper and manpower and also to capitalize on the reader interest in magazines and newspapers, Guardian Life is dispensing with its annual printed report to policyholders and is substituting a program of advertising.



THE NATIONAL UNDERWRITER

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BUSINESS DEPT.: John F. Wohlgenuth, President. Howard J. Burriged, Vice-President and Secretary. John Z. Herschede, Treasurer.

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BOSTON 16, MASS.—944 Park Square Bldg., Tel. Hubbard 8696. R. E. Richman, Vice-Pres.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, W. A. Scanlon, and A. S. Cutler, Associate Managers. J. W. Atkinson, Advertising Manager.

CINCINNATI 2, OHIO—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner

Thorp, Jr., and C. C. Crocker, Vice-Presidents. G. C. Roeding, Associate Mgr.

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DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

DETROIT 26, MICH.—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS 2, MINN.—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

NEW YORK 7, N. Y.—123 William St., Tel. Beekman 3-3958. Editorial Dept.—R. B. Mitchell, Eastern Editor; George E. Wohlgenuth, Assistant Editor; Dorothy E. Paul, Editorial Assistant. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 3706. E. H. Fredrikson, Resident Mgr.

SAN FRANCISCO 4, CAL.—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Resident Manager. Miss A. V. Bowyer, Pacific Coast Editor.

NEWS OF THE COMPANIES

New York Life Merges Two Eastern Departments

The Atlantic and Allegheny departments of New York Life are being consolidated into the Allegheny department under direction of Don Parker, inspector of agencies, who is transferring headquarters from Pittsburgh to Philadelphia. He has supervision over branches in Pennsylvania, New Jersey, Delaware, District of Columbia, West Virginia and Ohio.

F. T. Munsell, supervisor in charge of the Philadelphia clearing house, is being transferred to St. Louis in charge of the Missouri clearing house as supervisor.

P. A. Norton, who has been in charge of the New England branch, Boston, is being transferred to Philadelphia as agency director in charge of the Philadelphia clearing house.

Don Parker started in life insurance with New York Life as an agent at Des Moines in 1930, became organizer there, then agency director at Davenport in 1934, in charge of a new branch. Later he was agency director in Nebraska, supervisor of the great middle department at Cleveland, then in 1942 inspector of agencies of the Allegheny department at Pittsburgh.

Paul Bestor Is Elected Prudential Vice-president

Election of Paul Bestor as a vice-president of Prudential is announced. He had been a second vice-president since 1941.

Mr. Bestor, an alumnus of Yale, joined Prudential as a supervisor in the mortgage loan department in 1933, and the following year he was elected assistant secretary. He will continue to be associated with R. R. Rogers, vice-president, in the activities of the mortgage loan department.

New Directors of Mass. Mutual

Gilbert H. Montague, New York, and R. DeWitt Mallory, Springfield, Mass., attorneys, were elected directors of Massachusetts Mutual Life at the annual policyholders meeting.

Kattell Secretary, Stagg Actuary



SHERMAN C. KATTELL

Sherman C. Kattell, formerly secretary-actuary of Lincoln National Life, has been reelected secretary and will assume full responsibility for the promotion and development of group and pension trust business.

Ronald G. Stagg, formerly associate

Figures in Girard Life Executive Changes

Albert Short, now chairman of Girard Life, has been with that company since 1899 and had served as president since 1927.

The new president, W. K. Hardt, was a prominent figure in the banking business at Philadelphia until he went with Girard Life in 1942 as vice-president. George A. Adsit, now executive vice-president, has been with the company since 1933 starting as manager of agencies and has



W. K. HARDT



ALBERT SHORT



G. A. ADSIT

been vice-president since 1934 in charge of field operations.

Big K. C. Life Subscription

A bid of \$6½ million in war bonds brought to Kansas City Life the distinction of presenting to the Library of Congress Dr. Albert Einstein's manuscript "General Theory of Relativity." President W. E. Bixby received the manuscript at a bond rally in return for the company's check. The Einstein manuscript will be placed in the archives of the Library of Congress with suitable recognition to Kansas City Life. The bond purchase is the largest

in Kansas City thus far during the fourth war loan drive.

United Benefit in Bay State

United Benefit Life has been licensed in Massachusetts and will be represented in the same office with Mutual Benefit Health & Accident at Boston under the supervision of Jack O'Connor. United Benefit was recently licensed in New York.

Munch Named Assistant Counsel

G. A. Munch, who joined the law department of Mutual Life in 1928, has been appointed an assistant counsel. He received his preparatory schooling in Switzerland and graduated from Columbia Law School in 1928. He specializes in taxes and other legislative matters.

Russell Advanced by L. & C.

Emmett Russell, Jr., formerly advertising manager and also connected with the ordinary department, has been made assistant secretary and manager of the ordinary department of Life & Casualty.

Quigley to St. Louis Mutual

Thomas Quigley, who has had nearly 25 years experience in life insurance, has become agency director of St. Louis Mutual Life.

The past two years he has been special representative and public relations

director of Mutual Savings Life. For about 20 years before that he had been with Mutual Life in St. Louis in various capacities. For eight years he carried a rate book and was a successful personal producer. Then for four years he did executive work in the St. Louis agency, and for another eight years he specialized in conservation work.

Cornett to Move to Boston

W. B. Cornett, vice-president in charge of agencies of Loyal Protective Life for 1½ years, who has made building successful manpower a primary objective with volume as secondary, expects to move his headquarters to the home office at Boston in the near future. He has been operating from Columbus, O.

Peterson Made General Counsel

Clarence L. Peterson has been elected general counsel of Ohio State Life. He joined the company in 1929 as supervisor of claims and organized its claims department. Later he was appointed associate counsel and then counsel. He will continue to supervise claims in both the life and accident departments. Mr. Peterson is a graduate of the law college of Ohio Northern University, Ada, O.

Harold F. Wendel, president Lipman, Wolfe & Co., Portland department store, was elected a director of Oregon Mutual Life.

FLASH

TO THE MEN IN THE FIELD

THIS IS PROGRESS!

Last year our men of the Industrial Department did all right for themselves. Earnings of agents were up by more than 33% over 1941 figures and the earnings of other field personnel increased proportionately.

Our weekly premium increase was 94.2% better than 1942 and our weekly premium increase per debit showed a record gain of 92.9%! And in the face of these increases the number of debits increased 5.2%.

Yes, Commonwealth's Industrial Department is proud of a number of things it accomplished in 1943. Finals, for another example, were down by more than 30% from 1942 experience, and the number who qualified for the company's \$50,000 Club increased 21.6%.

The year 1943 was a banner year. It represented real progress and real achievement. It puts on the records a set of marks which will be hard to beat, but with the character of men in Commonwealth's industrial field force, determined, efficient and aggressive, Commonwealth is set for another year of gains.

WHERE QUALITY MEN ARE BUILDING QUALITY VOLUME

Commonwealth

MORTON BOYD, PRESIDENT

Life

HOME OFFICE LOUISVILLE

LIFE AGENCY CHANGES

Wetzel Franklin Life Coast Supervisor

Franklin Life has appointed Ralph J. Wetzel as Pacific Coast supervisor with headquarters in the Transamerica building, Los Angeles. He has been in the business for nearly 30 years and is experienced in personal selling and agency supervision.

Mr. Wetzel graduated in engineering at Drury College in Missouri and did postgraduate work at Purdue.

He became general agent for Pacific Mutual Life in Kansas City in 1920 and remained in that area for 20 years. Recently he has been educational director for Reliance Life at Los Angeles. He is a C.L.U.

Accurate immediate answers help sales. Get the new **Little Gem**, \$2.50 singly from National Underwriter.



R. J. Wetzel

Herbig Heads Chicago Unit of Phoenix Mutual Life

Harry C. Herbig, supervisor of the Chicago La Salle agency of Phoenix Mutual Life, has been advanced to manager of that office. Mr. Herbig joined Phoenix Mutual in 1938 at St. Louis and in 1940 was appointed a field supervisor. He was with several of the company's large agencies until December, 1942, when he went to the Chicago La Salle agency.

In 1943 the agency won second high honors in the Directors' Cup competition, showed a gain of 45% in paid premiums over 1942. The agency has established a high rating in the development of new men.

John Hancock Names Two Oklahoma General Agents

J. Lester Sharp, formerly with Occidental Life of California at Tulsa, has been appointed general agent there by John Hancock Mutual. He has been in life insurance since attendance at the University of Oklahoma. He is past

secretary-treasurer of the General Agents & Managers Club, and past president of the Tulsa C. L. U. chapter. He is a C. L. U. Harvey G. Kemp, formerly with Guardian Life, succeeds Ferrel M. Bean, who since 1935 has been general agent at Oklahoma City. Mr. Bean goes to the home office. As of Feb. 1, Mr. Bean and R. Radcliffe Massey, since 1938 a member of the agency department, become assistant managers of general agencies.

Mason Is Boise Manager

C. S. Mason has been appointed manager of Oregon Mutual Life at Boise, Ida. Since November the office has been under the supervision of Acting Manager H. C. Schuppel, now retired. Mr. Mason has been in the life insurance business for the past eight years. He went to southern Idaho as a child.

Austin to State Mutual

J. W. Austin of Cincinnati resigned as general agent of National Life of Vermont. He has been in life insurance in Cincinnati for nearly 20 years and will be now associated with the State Mutual agency.

Harold P. Morgan Advanced

Harold P. Morgan assistant general agent and manager of the brokerage department of the Hays & Bradstreet agency of New England Mutual Life in Los Angeles, has been awarded a participating interest in the agency. Miss Grace Miller, statistician of the agency, has been appointed brokerage assistant and statistician.

Mr. Morgan has been in life insurance since 1916 and has been with the agency for years.

R. L. Walker, assistant general agent of the Walter T. Shepard general agency of Lincoln National Life in Los Angeles, has been appointed associate general agent.

Stanley Randolph has resigned as Sec-

attle manager for Occidental Life of California. He has bought a long haul trucking concern.

SALES MEETS

Great Northern Parley Emphasizes Opportunities Now

Vice-president John A. Sullivan of Great Northern Life in reviewing the work of the life department at the general agents meeting in Chicago announced that it had been decided to dovetail the work of the underwriting and actuarial departments and that H. J. Hornberger and Fred Noble will hereafter have charge of underwriting, with the assistance of an underwriting committee.

He reported that the gain in insurance in force in 1943 was much greater than in 1942 and stated that business for January showed an increase of 100% over the same month last year, which indicates that last year's production figures may be equalled in six or seven months this year. He pointed out that while the company has 37 life policy forms, 80% of its business last year was written on six forms, and raised the question whether about 10 policy forms would not be enough for any company.

Citing national figures, he said the old idea that a man has to die to win has been disproved, pointing out that payments to living policyholders last year totaled \$1,300,000,000 and those to beneficiaries \$1,100,000,000.

He advocated very strongly the sale of both life and accident and health insurance, describing life insurance as the walls of a building, while accident and health provides the roof.

In discussing trends in accident and health insurance, C. O. Pauley, secretary, said he expected no outstanding changes this year which should have any material effect on the loss ratio, but warned of possible epidemics in the wake of the war and conditions prevailing in the occupied countries of Europe, and said that with the resumption of automobile manufacture and the return of the millions of men now in service, there would be an increase in automobile accidents such as has never been known before. However, there will not be enough new cars manufactured this year to have any great effect on 1944 results. He emphasized the necessity for building up adequate reserves to meet both of these possible contingencies.

Mr. Pauley referred to some of his

Reserve Loan Life Ins. Co. of Texas

Dallas, Texas

Founded 1897

FINANCIAL STATEMENT, DECEMBER 31, 1943

ASSETS

Cash	\$ 705,455.34
Bonds:	
Fully Guaranteed by U. S. Government.....	2,306,343.90
State, County and Municipal.....	96,972.11
Railroad	189,811.22
Utilities	1,258,142.36
Industrial and Miscellaneous.....	609,490.95
Stocks	235,025.94
First Mortgage Loans on Real Estate.....	3,624,685.11
Home Office Building.....	325,000.00
Other Real Estate.....	1,352,263.36
Real Estate Sold under Contract.....	\$146,137.37
Less Reserve for Profit.....	12,550.73
	133,586.64
Loans on Company's Policies.....	1,692,912.93
Collateral Loans	60,800.00
Interest Due and Accrued and Sundry Assets.....	69,916.79
Premiums Due and Deferred.....	321,771.70
Total Admitted Assets.....	\$12,982,178.35

LIABILITIES

Death Claims Due and Unpaid.....	None
Claims for which Proofs are not Complete.....	\$ 72,946.85
Premiums and Interest Paid in Advance and Premium Deposit Funds	136,323.03
Reserve for Taxes Payable in 1944.....	75,000.00
Sundry Liabilities	62,476.59
Funds Exclusively for Protection of Policyholders	
Full Legal Reserve on all Outstanding Policies.....	11,718,151.72
Real Estate Fund.....	267,280.16
Reserve for Fluctuation in Mortality.....	100,000.00
Capital	200,000.00
Surplus	350,000.00
Total Liabilities	\$12,982,178.35

1943

Increase in Insurance in Force.....	\$4,121,381.00
Increase in Assets.....	789,035.26

Insurance in Force
67,665,886.00

Payments to Policyholders and Beneficiaries Since Organization
34,277,365.14

Special War Mortality Fund of \$100,000 established from earnings for the year. Real Estate Depreciation Fund was rebuilt to its original figure by adding \$129,000 to it from earnings for the year. Persistency Rate Increased. Mortality Rate Decreased. Foreclosed Real Estate Decreased \$715,000.

Again
Bankers Life
Fieldmen
enjoyed
a substantial
increase in
Income



SINCE 1887
Bankers Life
INSURANCE COMPANY
OF NEBRASKA

THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

*Protects
The Entire Family*

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

A Policy for Every Purse and Purpose

E. R. DEMING
President

L. J. BAYLEY
Secretary

HOME OFFICE—SYRACUSE, N. Y.

activities outside of company affairs, including the preparation of the civilian war injury policy, which did not have a wide sale but apparently served to keep the government out of that field; the problem of federal taxation of companies writing both life and accident and health insurance, which was put on a basis satisfactory to those companies; in the field of social security, as president of the Insurance Economics Society and in meeting some questions raised by the Illinois insurance department.

The meeting was held on Mr. Pauley's 65th birthday and he received many felicitations on the anniversary. He said that was the date when the Social Security Board thought he ought to retire but that he had no intention of doing so for some time.

E. P. Oertel, assistant vice-president, described the potential business to be secured from selling juvenile insurance. While it may not be the major market for the million dollar producer, it is a profitable incidental market, he said. There are 28,000,000 prospects in the age group 0 to 14. Juvenile coverage carries a powerful appeal to parents, and leads to other business, he said.

General Agents Give Views

Agents are in the heyday of life and accident and health business, and if they are not doing well now they ought to get out, R. B. Smith, Oklahoma manager, stated. He emphasized the importance of companies setting up now a post war plan for training and compensation of agents. He also advocated bringing out a full cover travel accident policy because of the increased tempo of traveling after the war by plane and other carriers.

G. E. McCelvey, Houston general agent, who has been very successful in selling the complete protection of life, accident, health, and hospitalization in one package, said that perhaps his best approach in making "the sale is to tell the prospect he has a plan to guarantee your salary." The reaction is either, "what do you mean?" or, "I am loaded on life insurance." Mr. McCelvey then explains that a man can die in two ways. He dies physically and the insurance company pays his widow, he dies economically from disability and no one pays him anything. "If you became disabled how long would your salary continue?" This question usually opens the interview satisfactorily, he said.

With the business man Mr. McCelvey has found helpful the statement that "our company in effect will agree to deposit to your credit \$30,000 and pay you 4% on the money, and still pay you \$.... when you die."

He said that many defense workers

do not have any life insurance at all and are nowadays receptive to the idea.

C. C. Raisbeck, Milwaukee general agent, said that he has been unable to find new men except fire and casualty agents. He gets his leads from special and state agents of fire and casualty companies.

Mutual Benefit in Regional Rally

The J. S. Drewry agency of Mutual Benefit Life in Cincinnati was host to four agencies at a two-day regional business insurance conference. Executives present included B. C. Thurman, assistant superintendent of agencies; E. C. Hawes, manager field service; Dr. W. W. Reiter, medical director; Wallace Watson, business insurance specialist, formerly of the Boston agency, and J. J. Magovern, company attorney who handled the legal questions. About 30 out of town agents were present including agents from Charleston, W. Va., Lexington, Louisville and Indianapolis.

At a dinner meeting, Sidney Weil of the Drewry agency, who led the company's entire staff in production of paid for business in 1943, was honored and presented a war bond as a "rain-check" by Mr. Thurman, who told him to buy what he wanted with it after the war. The agency also presented Mr. Weil a suitable memento.

California-Western States Holds Parleys in Texas

SAN ANTONIO, TEX. — Bruce Parker, manager California-Western States Life here, was host at a sales conference. Home office was represented by President O. J. Lacy; Robert Murphy, vice-president and agency manager, and Ernie Guttersten, inspector of agencies, accompanied by Balie Cantrell, Texas supervisor.

Men who render service will build profitable business, Mr. Lacy declared. To keep business in force, the buyer should be shown the advantages of his contract so that he recognizes its full value and keep it in times of stress.

Men discharged from the armed forces because of defects, usually slight, which do not impair their insurability, and working women are good prospects at the present time, Mr. Murphy pointed out. With the change in the war situation from defensive to offensive selling life insurance with the war clause is less difficult.

In urging closer cooperation with the underwriting department so as to expedite the issuing of business, Mr.

38th Annual Statement

THE OHIO STATE LIFE INSURANCE COMPANY

Columbus, Ohio

Financial Condition, December 31, 1943

OUR RESOURCES

Bonds	\$15,823,047.00
First Mortgage Loans	8,262,019.57
Loans to Policyholders	2,187,886.29
Cash on Hand	1,051,908.25
Home Office Building	446,000.00
Real Estate Sold on Land Contract	387,341.47
Other Real Estate	142,680.07
Premiums in Course of Collection	502,652.35
Accrued Interest (None past due)	116,286.32
Premium Notes	21,569.68

Total Resources \$28,941,391.00

OUR LIABILITIES

Policy Reserves	\$24,448,851.39
Dividends to the Credit of Policyholders	733,602.52
Dividends to Policyholders for 1944	235,842.00
Premiums and Interest Paid in Advance	496,841.47
Reserves for Taxes Payable in 1944	78,900.00
Miscellaneous Liabilities	15,535.03
Claims Awaiting Completion	88,464.63
Death Claims Due and Unpaid	None

Total Liabilities \$26,098,037.04

Excess Protection to Policyholders	
Capital Stock	\$1,000,000.00
Surplus	1,000,000.00
Contingency Reserves	843,353.96

Surplus for the Protection of Policyholders \$ 2,843,353.96

Total Liabilities and Surplus \$28,941,391.00

Five Years' Record

Insurance in Force	30% Increase
Assets	46% Increase
Surplus for Policyholders	47% Increase

LIFE ACCIDENT HEALTH HOSPITAL

Intangibles

When choosing a profession, the customary practice is to review the possibilities of financial gain, the opportunities for personal promotion and the stability of the occupation under consideration. These factors are fixed, tangible; they can be determined with almost mathematical certitude.

Yet it is the intangibles—those abstract qualities perpetually hidden from the five senses—that spell peace of mind, spiritual gratification, pride of attainment. Unless an organization can give to its personnel both sound ideals and practical, effective methods of procedure, progress of the individual toward lasting success is either impeded or misdirected, with frustration and failure the result. Some institutions have minds, some have power, some have wealth—a few have souls.

AMERICAN UNITED LIFE INSURANCE COMPANY
FOUNDED 1877 INDIANAPOLIS

Murphy said, that 90% of the delays in the issuing policies is due to lack of full and clear information. This is particularly true in regard to non-medical business.

Mr. Gutterson stressed the importance of writing quality business which will persist and provide an income to relieve pressure for the first year income.

The home office men are also holding meetings at Houston, Beaumont and Dallas.

K. C. Life General Agents and Managers Meet

At the annual general agents and managers conference of Kansas City Life in Kansas City, one of the features was a meeting of the company's underwriting committee, headed by Dr. E. L. Mathias, associate medical director, during which actual submitted cases were considered in the presence of general agents and managers, who were permitted to give their views as to whether such cases should be accepted or rejected.

Another feature was a visual presentation by W. T. Whitehead, director of sales, of the training course, "En Route to Career Life Underwriting," and the advanced sales course, "The Life Insurance Administrator."

Open Forum Discussions

The second and third day program included three open forum discussions on recruiting, supervision, and training. O. Sam Cummings, Texas state manager, presided at the discussion on recruiting; L. C. Mersfelder, Oklahoma state manager, on supervision; and Wallace G. progress of the company through 1943.

Hunter, general agent for northern California, on training.

President W. E. Bixby, Vice-presidents J. F. Barr and J. A. Budinger, and J. S. Bassett, assistant general counsel, spoke.

Monarch Life Holds Annual General Agents Conference

President Clyde W. Young of Monarch Life set the theme of the annual conference of the company's 48 general agents at the Edgewater Beach Hotel, Chicago, this week when he said the company must aim at better quality in agents through recruiting, training and supervision, selection of prospects and service to assured. R. C. Laub, vice-president and agency manager, announced five new accident and health policies would be ready for sale about March 1.

Other head office executives who attended the conference are John H. Miller, vice-president and actuary; J. W. Blunt, vice-president; Louis C. Clarke, treasurer; R. I. Bland, assistant agency manager; and Assistant Secretaries Earl Cadwell, in charge of A. & H.; P. W. Underwood, in charge of the life department; George Smith, in charge of the claim department, and Jerome A. Young, advertising manager, and Dr. John M. Gilchrist, medical director.

Two New Field Units Are Created by Republic Nat'l

General agents of Republic National Life of Dallas met in a three-day annual session at the home office. President Theo. P. Beasley discussed the

M. Allen Anderson, first vice-president and director of agencies, presided. C. J. Skelton, chief underwriter, explained items of home office handling of applications and accounts.

Three approved systems of record keeping were explained by R. I. Jones of Fort Worth, Al Collins of Texarkana, and Mr. Skelton. Successful sales plans were given by Charles Grady of Fort Worth, Nathan Pifko of Houston, and David Ceder of Austin.

The Agency Builders Club and General Agents Advisory Council were formed. Membership in the former will require \$50,000 of business paid for by new agents in an agency, and the three agencies leading in new agent business for the year will be officers.

The advisory council will meet twice a year. Members for the first year are: J. G. Oltorf, San Angelo; O. R. McAtee, San Antonio; R. E. Jamison, Austin; R. I. Jones, Fort Worth; J. M. Hollinshead, Sherman; Eli W. Gregg, Lubbock; Nathan Pifko, Houston.

Penn Mutual Leaders Meet in Home Office School

Leaders in the "Bell Ringers" contest of Penn Mutual Life, 25 in all, attended a one-week school in advanced underwriting at the home office. Much attention was devoted to business insurance, programming, pension trusts and the 5% plan of employees' insurance.

President Stevenson analyzed the annual report. Vice-presidents Boileau and Huttinger, and Superintendent of Agencies Nenner spoke on agency matters. Mr. Huttinger also acting as dean, being in charge of the training course. Several members of the home office staff were on the faculty, which also included J. H. Reese, Philadelphia, and E. L. Reiley, Cleveland, general agents; Harry Pollock, Cleveland, and A. A. Simpler, Philadelphia, supervisors, and R. A. Foulke, credit expert, and Lester Wicherman, accountant, from outside the insurance field.

The three-months' production of the 25 men totaled over \$5,000,000 on 827 lives, or an average three-months production per man of about \$250,000 on 34 lives.

Hold Bankers, Neb., Conference

Forty-eight general agents of Bankers Life of Nebraska attended the annual conference in Lincoln. President Howard S. Wilson presented 24 certificates of membership in the "Millionaire's Club," composed of those who had written and have in force a million or more life insurance. Senator C. Petrus Peterson, general counsel, in his address said that there is sound reason for believing that in post-war planning "we shall begin quite generally where we left off." He said some of the sources of life insurance problems after the war ends will be competition with other economic systems and a trend of new social and governmental patterns.

West Coast Life Policy

SAN FRANCISCO — Production plans were discussed at a West Coast Life managers' conference here. Harry J. Stewart, vice-president and manager of agencies, presided. President Francis V. Keesling reviewed the past year.

B.M.A. California Meeting

Southern California agents of Business Men's Assurance under Corwin D. Smith, Los Angeles district manager, and Robert Sanders, San Diego branch manager, held a meeting in Los Angeles. J. P. Baldwin, vice-president in charge of the Pacific Coast, discussed successful sales plans.

Ohio State Officials at Marion

A two-day sales congress was held by the Marion, O., agency of Ohio State Life, of which E. G. Siefert is manager. Taking part were President Claris Adams, Vice-president F. L. Barnes, C. L. Peterson, general counsel; T. F.

Ross, medical director; H. D. Taylor, supervisor of agencies, and T. T. McClintock, supervisor of field service. At a banquet, President Adams presented Fred W. Hoch of the Marion agency a certificate in recognition of 25 years' membership in the company's Honor Club.

NEW YORK

JOHANNSEN OPENING FEB. 11

New quarters of the A. J. Johannsen agency of Northwestern Mutual at 74 Trinity place, New York, will be formally opened at a reception Feb. 11. The agency moves to Manhattan from Brooklyn, where it was founded 59 years ago. There are 22 producers in the agency, an office staff of nine, and seven persons are in the armed forces.

HILLER SLATED IN NEW YORK

W. N. Hiller, million dollar producer of Stumes & Loeb agency Penn Mutual, Chicago, will present a business insurance sales demonstration at the annual sales congress of the New York City Life Underwriters Association March 9.

CONNELL TO MAKE TOUR

C. D. Connell, general agent of Provident Mutual in New York City, and secretary National Association of Life Underwriters, will make a trip next week through Virginia, visiting the associations at Richmond, Norfolk, Newport News, Petersburg and Danville, winding up on Saturday at Lynchburg for a meeting with representatives from all over the state and W. H. Andrews, Jr., vice-president, and J. E. Rutherford, executive vice-president N. A. L. U.

TO HOLD JOINT MEETING

A joint meeting of the League of Life Insurance Women and the Women's Bar Association will be held March 22 at 42 West 44th street.

Dr. L. H. Lee, medical director of Pacific Mutual Life, addressed the Los Angeles Quarter Million Dollar Round Table on "Medical Selection."

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AT SAVINGS OF 10% TO 40%
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Burroughs typewriter ribbons give clear, clean-cut printed results during long, continuous use. These ribbons—as well as equally fine ribbons for cash registers, adding, accounting and other business machines—are available to you at savings of 10% to 40% through Burroughs Discount Purchase Plans. Investigate the many advantages of filling ALL your ribbon requirements through this one convenient source. Call your local Burroughs office or write Burroughs Adding Machine Company, Detroit 32, Michigan.

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SUPPLIES FOR BUSINESS MACHINES

LITTLE HUMAN TOUCHES MAKE THE GREAT INSTITUTION



The Story of the Broken Appointment

A man, very fond of his family, wanted to do his best for them. So one day he insured his life for \$10,000. When he made his first payment, his agent said, "Even this first payment gives a liberal 'cash value' to your policy." But the man paid little attention. He could not know then *what a blessing this would be for his family.*

During the year, things went badly. He was unable to make his second payment. But his company said, "The large 'cash value' in your first payment will let us extend your insurance for some time." But even the "extended" time drew toward an end. This man became unhappy at the prospect of having no insurance. He made an

appointment to get himself insured again. He never kept that appointment.

For, in the evening of the day before he was to meet his agent, he was killed in an automobile accident.

Now this man had made but one payment on his policy. Yet his insurance company promptly sent his widow its check for \$10,000. Because so large was the "cash value" in that first payment that his insurance was still effective at the time of his death. *eight months and three days past the first year.*

QUESTION: Now which company is known for its liberality in generally allowing cash values after one premium payment?

ANSWER:

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK, NEW JERSEY

(From our series of advertisements in the Saturday Evening Post)

LEGAL RESERVE FRATERNALS

Illinois Fraternal Congress Program Is Announced

Complete program for the annual meeting of the Illinois Fraternal Congress Feb. 22 in the Morrison hotel, Chicago, was announced this week by President Joseph F. Sheen, Chicago. Mrs. Margaret Gorman, Chicago, is vice-president and may be elevated to president. Other officers probably will move up. They are—Secretary W. E. Mooney and Treasurer C. J. Del Vecchio, Royal League, both of Chicago. The program is:

Morning Session, 10 A. M.

Welcome, John P. Stock, supreme recorder keeper of Maccabees, Detroit.

Greetings, E. F. Barnes, supervisor fraternal division Illinois department, and Mrs. Grace W. McCurdy, president National Fraternal Congress and head of Royal Neighbors, Rock Island, Ill.

Response, Walter C. Below, president Fidelity Life, Fulton, Ill., past president Illinois Congress.

Report of credentials committee. Report of legislative committee, George G. Perrin, general counsel Modern Woodmen, Rock Island, chairman.

Luncheon 12:30 p. m., speaker, Director Jones of Illinois department.

Afternoon Session, 2:30 P. M.

Report of Fraternal Field Managers Association, Fred A. Johnson, supreme archon Royal League, Chicago, president.

"Nonmedical Insurance," Dr. E. A. Anderson, medical director Modern Woodmen, Rock Island.

"Appraisals under War Conditions," George A. Becker, Salk, Ward & Salk, mortgage firm of Chicago.

"Management of United States Government Bond Market," Richard E. Kellher, Jr., C. F. Childs & Co., investment house, Chicago.

Report of nominating committee, election and installation of officers.

Increases in 1943 Made by Protected Home Circle

Protected Home Circle assets increased \$785,747 to a total of \$12,289,574 on Jan. 1. Unassigned and surplus funds were \$707,875, special and contingency reserves \$605,546, legal reserve \$10,759,800. In 1943, \$993,122 was paid out in death and permanent disability claims, specific accident and payor waive claims, surrender values, endowments and dividends to members. Twenty-two death claims due to war have been paid.

Membership increased by 2,263 to 82,463 and insurance in force to \$62,155,834. The dividend scale was continued with \$136,000 authorized for distribution. President S. H. Hadley reported \$1,600,000 was invested in U. S. government bonds in 1943 and the investment in these bonds is \$3,872,051.

N. F. C. Aids Bond Drive

National Fraternal Congress is seeking to enlist the aid of 100,000 local lodges of affiliated societies and their 3,200,000 members in active support of the fourth war loan drive, Mrs. Grace W. McCurdy, president, reported to Norman H. Davis, chairman of the Red Cross, in response to a request for endorsement of the campaign. They are being asked to give generously of their money, time and energy, she said.

Unity L. & A. '43 Statement

Assets of Unity Life & Accident of Syracuse at the year end totaled \$3,024,904, an increase of 19% while insurance in force exceeded \$47 million, also an increase of 19%. In 1943 Unity purchased \$350,000 of government bonds and last week it subscribed for \$250,000 in the fourth war loan campaign.

Unity is now preparing for its March campaign. "Pep up" dinners will be held in a number of cities and those who pay for a stated amount of business in March will be invited to visit the home

office, probably in May, at which time it is expected the new building will be ready for occupancy. March is the birth month of President Deming.

Wisconsin Congress Elects

D. C. McDowell of Fidelity Life, Soldiers Grove, Wis., was elected president of the Wisconsin Fraternal Congress at the annual meeting in Milwaukee. The new vice-president is R. W. Blodgett, secretary National Mutual Benefit, Madison, who has been secretary, and the new secretary is Leroy G. Stohman, secretary Aid Association for Lutherans.

Royal Neighbors' Contribution

Royal Neighbors, Rock Island, Ill., purchased \$2,500,000 of U.S. war bonds in the fourth war loan campaign, and now has \$10,434,925 invested in government securities. The society purchased \$2,500,000 of war bonds in each of the last three drives. Rock Island's quota in the fourth drive is \$7,394,300 and Royal Neighbors purchase was 33.8% of that amount. Forty employees of the head office made up five teams of workers in the drive.

Plans to Pay War Deaths

Independent Order of Foresters, Toronto, proposes to pay all claims of men who joined the order prior to Sept. 3, 1939, and whose certificates contain no war clause, according to Frank E. Hand, past supreme chief ranger. He said this action was decided upon despite the fact that it may be true the order is not liable in case of death while on active service.

Dr. I. J. Archer, superintendent of the sanatorium of Royal League at Black Mountain, N. C., is ill in the Mission hospital at Asheville, N. C.

CHICAGO

CONFER ON 48-HOUR WEEK

The subcommittee of the general committee representing the insurance industry on the 48-hour work week in the Chicago area has conferred with officials of the War Manpower Commission in accordance with its understanding that further conferences would be held following submission of the general petition on behalf of the entire industry.

As a result of the conference the subcommittee has agreed to secure additional information embracing a complete breakdown of occupations by departments and duties from several offices to enable the WMC to obtain a better understanding of the insurance employment problem. It is anticipated that pending the submission of this additional information and further conferences with the WMC no decision will be rendered by the commission on any of the individual applications for exemption now on file.

In some cases WMC has asked that forms be signed by individual employees who are not available for a 48-hour work week because of household duties, other employment, or physical limitation.

If an office receives a communication from WMC which is not clear or which the office wishes to refer to the subcommittee for any reason, the subcommittee invites such references. The subcommittee is composed of Chase M. Smith, Lumbermen's Mutual Casualty; Rollin M. Clark, Continental Casualty, and Walter M. Sheldon, W. A. Alexander & Co.

TWO MEETINGS IN CHICAGO

E. H. McDermott, Chicago attorney, will address a meeting of the Chicago Life Insurance & Trust Council Feb. 23 at which members of the Group Supervisors Division of the Chicago Association of Life Underwriters will be

guests. R. F. Spindell, Chicago tax attorney, spoke at a dinner meeting Tuesday of the Life Agency Cashiers Division. An open forum on income tax returns followed.

U. S. LIFE AND GROUP

J. G. Orr, manager of United States Life in Chicago, is now pushing very strongly for group business, the company writing life, accident and health. His organization is having particular success with groups in federal agencies. These are written on a non-contributory basis through an organization that is established within the agency which collects the premiums each month. Some groups have been written for labor unions and other bodies and all follow the same general pattern where the employer does not contribute. That is, an organization of employees collects the premiums and does the detail work. Mr. Orr has five men who are specialists in this business and when a case is closed all will cooperate in getting it started and enlisting employees as policyholders.

Harper Moulton, former Kansas City general agent of Provident Mutual, and before that a leading agent of that company in Chicago, has returned with his family from North Hollywood, Cal., and has reestablished residence in Glen Ellyn, Ill., his former home. He has been connected with Red Cross for about two years. Mr. Moulton is considering re-entering life insurance work in Chicago. As an agent he was a large producer, having qualified as a "millionaire."

POLICIES

Fidelity Union Increases Nonpar Premium Rates

Fidelity Union of Dallas has increased non-participating premiums in line with many other companies. Disability benefit and double indemnity rates also were increased; the latter to \$1.75 for all ages and contracts. Nonforfeiture values also have been revised.

Some Policies Discontinued

Some of the less popular policies have been dropped. The insurance with life income has been replaced by a retirement income at 60 with privilege to start income at any age 55 to 65.

An illustration of the premiums on popular policies is:

Ages	End. 85	20 P. 85	Pref. Risk 85	Wh. Life	Mod. Life	Ret. Inc. 60	5 Yr. Male Term
10	\$12.57	\$22.38	\$12.15	....	....	....	....
15	13.79	23.89	13.29	....	....	....	....
20	15.31	25.68	14.72	\$8.03	31.92	\$7.78	....
25	17.29	27.85	16.51	9.04	38.83	8.07	....
30	19.81	30.44	18.79	10.33	48.41	8.49	....
35	23.13	33.63	21.74	12.16	62.35	9.14	....
40	27.57	37.63	25.88	14.50	84.07	10.40	....
45	33.40	42.60	31.46	17.95	119.21	12.98	....
50	41.17	49.01	39.11	22.67	....	17.30	....
55	51.65	57.52	49.67	29.40	....	24.17	....
60	66.60	69.87	64.43	39.06	....	34.74	....

Offers Group Permanent Plan

Mutual Savings Life of St. Louis is offering group life insurance on the whole life plan. This is being presented to employers as an opportunity to take advantage of the so-called 5% rule.

Mutual Life Juvenile Limit

Mutual Life has increased its limit on juvenile insurance to \$10,000 ultimate face amount at age 10 except in New York and New Jersey, where the legal limit is \$1,000. The action was taken in view of the favorable mortality trend among children in the general popula-

tion and in order to broaden the sales market.

Western Reserve Adopts New Scale of Rates

Western Reserve has adopted an increased schedule of rates for the non-participating department. Nonforfeiture values remain unchanged. Participating rates, likewise, are unaffected and the dividend scale applicable to these rates is that which has been in effect since 1939.

Non-par rates at illustrative ages on leading policies are:

Ages	Ord. Life	20 P. Life	20 P. Cou-pon	End. Age 65	20 P. End. 65	Life Exp.
15	\$13.13	\$23.01	\$29.97	\$15.81	\$25.59	\$ 9.65
20	14.65	24.75	31.72	17.97	27.32	10.52
25	16.45	26.80	34.25	20.98	30.57	11.54
30	18.70	29.01	37.30	24.88	33.73	13.11
35	21.64	32.30	41.00	29.99	37.56	15.01
40	25.98	36.20	45.90	37.63	42.60	17.87
45	31.40	41.22	50.89	49.52	49.52	21.83
50	38.97	47.92	58.24	....	....	27.59
55	48.80	56.32	67.25	....	....	36.99
60	63.26	68.74	79.01	....	....	48.81
65	82.48	....	....	....	....	....

ASSOCIATIONS

Speakers Announced for Minnesota Congress

ST. PAUL—"What's Around the Corner for Life Insurance" will be the keynote of the sales congress of the Minnesota Association of Life Underwriters here March 2. Speakers will include John A. Lloyd, vice-president Union Central Life and former Ohio commissioner; Grant Taggart, immediate past president National association; H. G. Kenagy, superintendent of agencies Mutual Benefit Life; Paul Speicher, R. & R. Service, and John R. Hastie, Chicago manager Mutual Life.

Tomlinson in Twin Cities

T. H. Tomlinson, assistant superintendent of agencies of Bankers Life of Des Moines, addressed the St. Paul and Minneapolis Life Underwriters Associations on "How We Sell."

Jackson, Mich.—C. T. Milner, president, and H. B. Thompson, secretary-counsel of the Michigan association, spoke at the monthly meeting. Mr. Milner reviewed benefits of membership in the association and reported the Jackson group led the entire state in paid membership on a pro-rata basis. Mr. Thompson discussed cooperation between the state association and the insurance department.

Tri-County, Minn.—John J. Steger,

The A. O. U. W. of North Dakota

THE PIONEER OF FRATERNAL LEGAL RESERVE SOCIETIES

Provides All Popular Forms of Life and Disability Insurance

A True Fraternal and a Mutual Life Insurance Association

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THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller Supreme President

Frances D. Partridge Supreme Secretary

Port Huron, Michigan

president of Minnesota association, spoke at a meeting at Albert Lea on "What Sells Life Insurance?"

Baltimore—The annual Baltimore-Washington sales congress is to be held here April 14. R. L. Law, Northwestern Mutual, is general chairman and W. J. Kenealy, Metropolitan Life, associate chairman.

Bay City, Mich.—Harold C. Brogan, manager Ohio National Life, Lansing, immediate past president of the Michigan association, discussed association accomplishments and analyzed legislation affecting the business at the annual "fish fry." A number of new members were signed up.

Mr. Brogan reviewed the work being done in Washington relative to the Wagner social security bill and the Bridges bill to allow income tax exemptions for life premiums. He also explained educational and public relations work of state and National associations.

San Francisco—"The Promise We Live By" is the theme of the annual sales forum to be held March 3 by the women's committee. A discussion on "War Time Selling" will be directed by Mrs. Dorothy Marden, Equitable Society. Dr. Emily Huntington, former University of California professor of economics and now with the War Labor Board, will speak. Mrs. Gladys Sinnott, Fidelity Mutual Life, will consider taxation. The Life Agency Cashiers Association will present a panel discussion with Mrs. Eda Hudson, Northwestern Mutual Life, Miss Joan Pugh,

Bankers Life, and Miss Emma Hukill, Metropolitan Life, participating. Mrs. B. M. Ashton, president, will conclude with "Life Insurance—a Force to Halt Inflation."

"Women's Place in the Insurance World" was discussed by Miss Carlotta Wood, Bankers Life of Iowa at the February meeting.

Springfield, Mass.—The association has announced its programs for three months. George Avery White, president State Mutual Life, will speak March 6; Raymond Dolwick, supervisor of agencies of Phoenix Mutual, April 5, and B. N. Woodson, assistant manager of the Sales Research Bureau, May 3. Fred White of Connecticut Mutual, Buffalo, spoke at the February meeting on "Direct Mail Prospecting."

Pittsburgh—Theodore G. Stinner, superintendent of Knights Life, Pittsburgh, spoke on "Our Job—War or No War," Wednesday, at the Washington branch association. Otis Cochran, Allegheny county manager of Reliance Life, spoke on "Finding the Answer" at the New-castle branch Thursday, and Herbert H. Linn, Pittsburgh manager of Prudential, "Fundamentals of Selling" at the Butler branch Friday.

Hendling, Pa.—Commissioner Neel gave a talk on the great insurance issues in Washington these days including the anti-trust case, the states rights insurance bills in Congress and the Wagner-Murray-Dingell bill.

Northern New Jersey—William P.

Worthington, vice-president and superintendent of agencies of Home Life, will speak Feb. 17.

Mobile, Ala.—Cecil Simpson, manager of the Mobile social security office, spoke on the social security act. He said the act had helped rather than hurt the insurance business. Life & Casualty announced 100% membership.

Akron, O.—Staff Sgt. Pete Zurlinden, marine combat correspondent, spoke.

Chippewa Valley, Wis.—R. C. Ferguson, western manager of the Meredith Publishing Company, spoke on "The Farm Life Insurance Market, Today and Tomorrow. Verne White has been named membership chairman to succeed W. D. Bayless, who has entered service.

Cedar Rapids, Ia.—Don Ross, merchandising manager of the Meredith Publishing Company, spoke on "The Farm Life Insurance Market, Today and Tomorrow. Verne White has been named membership chairman to succeed W. D. Bayless, who has entered service.

Los Angeles—The southern California caravan will visit Pasadena Feb. 17, Long Beach Feb. 23, San Diego March 3 and Santa Monica April 27.

In addition, the caravan is slated to visit the San Francisco association May 18 and put on the program there, to be followed by a visit of the northern California caravan to Los Angeles.

Decatur, Ill.—W. B. Flitton, supervisor of the group department of the Caterpillar Tractor Co., Peoria, spoke on that company's group plan at the January meeting.

Kankakee, Ill.—Roy Wilcox showed the films "Keeping Fit" and "American Portrait" of the Institute of Life Insurance at the January meeting.

LaSalle County, Ill.—Thomas A. Lauer, vice-president of the state association, addressed the January meeting.

Carbondale, Ill.—The film of the Caterpillar Tractor Co. of Peoria showing development along the Alcan highway in Alaska and the Canadian Northwest was shown at the January meeting. It is being booked throughout Illinois associations by the state association office in Peoria.

East St. Louis—Rex A. C. Atwood of the social security board and federal security agency covering 13 states spoke on the social security program at the January meeting.

Freeport, Ill.—G. H. Tribler of Bankers Mutual Life gave valuable sales ideas in a talk at the January meeting. He was a speaker at the state sales congress in Peoria in the fall.

press the agent that the public has the same privilege?

"The basic problems of management are with us always and while we today may feel our situation is unusual, every general agent has had that feeling about his immediate problems always."

He feels that certain men have left the business who were marginal producers and should be discouraged from re-entering life insurance selling. Managers should discuss the problem frankly now with each other and have their own organization built to a point where they will not be tempted to encourage these men to resume life insurance selling. If an agency takes the other agencies' failures, the problem will not be solved.

"Conditions have solved a problem for us that we hadn't solved until now," he said. "Have we the courage to keep it solved so that the prestige of the business can be enhanced with the American public?"

Agency Methods Unusual

E. W. Hughes, president, introduced Mr. Day, commenting on the latter's unique agency methods. There are no drawing accounts nor debit balances in the agency. There are 10 full time and two part-time agents. The agency has the company's leading woman agent and another agent stood fifth in paid lives with the company. After a most successful '43, the agency ranked 10th in paid volume in January.

Mr. Day addressed the Davenport Cashiers' Organization Thursday and will speak to the Peoria Association of Life Underwriters on "Color in Selling" at a luncheon meeting Feb. 17 and to the Peoria Agency Managers & General Agents the same evening.

Probate Judge Portland Speaker

The Life Managers Association of Oregon at a meeting Monday in Portland heard a talk by Judge A. C. Dickson on "The Probate Court and Its



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Training Program



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WAR BONDS
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LIFE
INSURANCE

Superb physical condition, gained through hours of muscle-toughening work on difficult obstacle courses, makes the American boy "One of the Best" fighters in today's World War.

Among insurance companies, Central Life, whose modern Pension Plan for Agents became effective in January, 1944, to provide the financial benefits of "social security" for Field Men, also is recognized everywhere as "One of the Best."

CENTRAL LIFE
ASSURANCE SOCIETY
(Mutual)
HOME OFFICE • DES MOINES

MANAGERS

Profit Is Not Only Test in Agency

An agency may be profitable to the manager without reflecting credit on the life insurance business. Newell C. Day, Davenport, Ia., general agent of Equitable Life of Iowa told the Life Agency Managers of Chicago at a luncheon meeting there. Some agencies make a long profit on a short volume of business through loss of commissions forfeited by agents' failures, while another agency has successful agents who write business successfully and stay in the business.

Frequently a general agent is found who supervises mainly on the theme of prospecting, whereas there are eight distinct phases of supervision, according to Mr. Day.

"Frequently we solve certain problems by actually solving another problem that at the moment may seem to be detached from the problem itself. For example, if an agent is not calling on the right persons, might it not be because he feels inferior and needs to have his ego built up through education?"

Prospect's Right of Selection

"If he fails to close, it may easily be because the prospect is unfavorably impressed either by his appearance or because the prospect has other negative impressions. We tell the new agent that he is entering a wonderful business where he has the right to select his own clientele, but should we not also im-

→ **Build**
YOUR OWN AGENCY, OR
BOOST YOUR INCOME . .

Here's How:

The Wisconsin National helps you to success and security. It offers a new and attractive life agency plan with a group of select and salable policies—diversified policies—Life, Accident and Health.

Or, you can boost your present income. The Wisconsin National has the policies that will secure increased income for you through new business as well as renewals. Your commissions will be most liberal, supplemented by prompt claim service.

★ For contract and territory in Wisconsin, Illinois, Minnesota, Michigan or Indiana, address Agency Manager.

LIFE • ACCIDENT
• HEALTH •

WISCONSIN NATIONAL
LIFE INSURANCE COMPANY
OSHKOSH, WISCONSIN

Relation to Business." He is probate judge of Multnomah county.

Pittsburgh Cashiers Elect

The Pittsburgh Life Agency Cashiers Association elected new officers: President, Howard L. Rice, New York Life, reelected; vice-president, Miss Mabel Gibson, Mutual Benefit; treasurer, Miss Dorothy Norman, Home Life; secretary-treasurer, Miss Inez Brooks, Bankers Life.

Protection of office records was discussed by B. G. Van Deven, Remington-Rand, Inc., before the Life Cashiers Association of Milwaukee.

Dr. Floyd Faust, pastor of Broad Street Church of Christ, addressed the Columbus Life Cashiers Association.

Thomas W. Wolfe, vice-president of Western Air Lines, will address the Life Insurance Managers Association of Los Angeles Feb. 14.

ACCIDENT

Higdon Tells Importance of Association Work

J. C. Higdon, executive vice-president of Business Men's Assurance, addressed the Oklahoma City Association of Accident & Health Underwriters on "Building Accident Business." J. Bryan Johnson, Oklahoma City manager of Business Men's Assurance and president of the association, conducted the meeting.

Two things can be done better through an association than by agents or companies individually he said. One is to impress the public with the importance of accident and health insurance. The Kansas City association held a luncheon attended by the mayor and leading representatives in each line of business, which gave them an opportunity to meet those in the accident and health and learn about their work, and a luncheon for a member of Congress who reported on the Washington situation.

He said the work of the association is important also in educating the public on the agent's importance to the accident and health business. Practically all the proposed government plans contemplate eliminating the salesman's services, he said, yet experience has shown people will not buy insurance and do not understand its benefits unless the agent takes the time and trouble to explain them.

Means to Speak in Peoria

At the February meeting of the Peoria (Ill.) Accident & Health Association, O. E. Hewlett, Peoria manager of the Retail Credit Company, spoke particularly of inspection problems created by the war, including those of personnel and transportation, and how agents can help.

At the next meeting March 10, George H. Means, manager of the O'Fallon Park district of Metropolitan Life in St. Louis and president of the St. Louis Association of Life Underwriters, will give the talk he gave in Des Moines recently on "A Victory Garden of Prospects." It is hoped to make this a joint meeting with the Peoria Life Underwriters Association.

Oppose U. S. Health Bill in S. C.

A concurrent resolution to urge Congress to oppose the Wagner-Dingell bill to provide for expansion of the social security law by offering a variety of health and disability protection, has been adopted by the house of the South Carolina legislature. The resolution relates that the bill would impose an additional tax of 6% on employees throughout the country, would conscript all doctors and dictate where they should serve at salaries of \$5,000 a year.

RECORDS

Ohio National Life—January sales exceeded those of January, 1943 by 33.4%.

Bankers National Life—In January applied-for business increased 43% and paid-for business 27% over January, 1943.

Equitable Life of Iowa—January paid business volume was the largest ever to be recorded. Life insurance and annuity sales totaled \$6,527,441, a gain of \$671,341, or 11.5% over January, 1943. Insurance in force was increased in January by \$1,295,357, increasing the total to \$660,225,055.

Union Mutual Life—Paid business in January exceeded January, 1943, by 65%.

Henry Royer agency, Ohio National Life, Chicago—Finished third country-wide in that company for 1943 with 20% gain in paid business. G. S. Severance, associate general agent, stood seventh in personal production in the company.

Harry D. Fagin, Mt. Vernon, Ill., paid for \$304,750 in Mutual Trust Life last year and won first place among that company's Illinois agents and fourth position among all Mutual Trust agents country-wide. He started from scratch three years ago, previously for three years having represented the company at Robinson, Ill.

Sam Lustgarten agency, Equitable Society, Chicago.—Paid for \$13,111,000 with \$3,000,000 increase in 1943, placing second in company.

IN U. S. WAR SERVICE

Price Carney, formerly with Life & Casualty in Nashville has been advanced from first lieutenant to captain, stationed with headquarters special troops at Camp La Guna, Ark.

A. Otis Graesser, assistant secretary of Ohio National Life, now serving in the adjutant general's office of the War Department, has been promoted to major. He is stationed at the Office of Dependency Benefits, Newark.

Larry Weber of the home office staff of Pacific Mutual Life has been commissioned a second lieutenant in the army air corps, and is at the bombardier school at Carlsbad, N. M.

May Again Have to Postpone Deadline

(CONTINUED FROM PAGE 1)

are it will be disappointed whereas it over that period the money is really "distributed around," it is likely to get approval.

A type of plan that is getting favorable consideration from many employers these days but which has not actually been put into effect, is one in which the benefits are established by formula but the employer agrees to contribute only in those years in which he makes a profit. It might be provided that the employer contribute a specified proportion of profits when such are made, or an amount related to dividends paid to stockholders or the contribution might be purely discretionary amount. This would be a pension plan rather than a profit sharing one because the latter is a plan among other things in which the benefits are otherwise than actuarially determined. It seems attractive to concerns whose earnings fluctuate radically, particularly in heavy industry.

In its early years such a plan would not be insurable, he pointed out because it is not certain that money would be available to meet annual premium obligations. However, if a company makes a profit for several years and builds up a sizable fund, the plan could safely be insured. As a matter of fact, Mr. Hansen observed, such an arrangement does not differ greatly in principle from a so-called guaranteed plan because the employer is never legally obligated to continue making contributions. The difference is that at the outset the em-

ployer underscores the fact that he is not obligating himself to make the contributions every year. If the plan is properly presented to employees, he said, they would appreciate it and it should tend to make the employees and even the pensioners, loyal boosters of the company, because their benefits depend upon the company making a profit.

A number of questions were asked from the audience. One was whether a provision that the company may borrow from the trust fund is acceptable. Mr. Hansen replied that such a provision is satisfactory if the transaction is carried out at arms length. A trust fund may invest its resources in the securities of the company so long as a proper price is paid. He pointed out that Sears, Roebuck & Co. has a trust fund that owns Sears, Roebuck stock.

The question was asked about an insured money purchase plan under which

the employee contributes 2% of the first \$3,000 of salary, 4% on salary in excess of that amount and there is a limit of \$7,000 on the annual annuity. The employer guarantees to contribute 10% of what the employee puts in but may contribute up to 210% of the employees' contribution. The question was whether the plan is acceptable in view of the fact that the employer may contribute optional amounts. Mr. Hansen replied that it is within the social security integration limits and would qualify on that basis and the fact that the employer is not obligated to put in a specified sum annually is no bar to approval.

There was a question of how much discretion may be given to the trustee. Mr. Hansen replied that a trustee may be given no discretion in so far as benefit payments are concerned.

A question was asked about a plan in which all of the employee contributions

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FROM THE 1943 ANNUAL REPORT

New Assurances	\$ 214,292,080
Assurances in force	3,173,417,467
Benefits Paid 1943	74,057,495
Benefits Paid since Organization	1,629,863,441

Copy of the Annual Report for 1943 may be obtained from:
Sun Life of Canada, Transportation Building, Washington, D.C.

SUN LIFE of CANADA

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 CONSULTING ACTUARY
 Associate
 E. P. Higgins
 THE BOURSE PHILADELPHIA

are invested in government bonds and the employer's contributions are invested in the company's securities. Mr. Hansen declared that such a provision is "more than safe."

Length of Service

In connection with a profit sharing plan, he was asked whether a provision giving an employee one share for each six months of service would be regarded as discriminatory. Pointing out that an employee with 20 years of service would then have 40 shares, Mr. Hansen expressed the belief that it would be disapproved. To be safe, he said, a limit of two to three shares for length of service should be provided. If a company wants what might be termed discrimination in benefits it must take a pension plan rather than a profit sharing plan.

Mr. Hansen gave some examples to show how plans with identical provisions might work out differently. For instance it might be a profit sharing plan in which contributions are made equal to 15% of payroll. In a particular plant there might be three members of a family that are the three officers and own the stock and get high salaries. Then there are 12 office clerks, mainly girls, averaging \$2,000 a year and 100 laborers in the factory averaging \$1,500 a year. The workers in the factory float about. Only three employees have more than three years of service with the company.

Such a plan on the surface appears innocent but in actual operation the chances are that within five years the top people would capture all the contributions. In another plant with 125 employees, the three officers might exclude themselves from the plan. A number of the employees have been with the organization 10, 15 or 20 years. Such a plan would not be discriminatory.

If all benefits are vested initially there can be no discrimination, he said.

Home Life Agency Four-Day Parley

(CONTINUED FROM PAGE 3)
 others if they are not sold themselves," he observed. "We will get more good interviews and close more business through the depth of our convictions on what life insurance will do for the man to whom we are talking than we will through any clever approach or a memorized close."

Of sincerity, he said that salesmanship is about 90% conviction and sincerity and it doesn't matter much what the other 10% is if it is honest. Despite the acknowledged value and necessity for sincerity Mr. Worthington said he wondered whether "through what we do rather than what we say we are doing everything we can to impress our clients with our sincerity of purpose." He said that most people have the

wrong impression of a salesman. When they think of salesmen they think of pressure. They instinctively think of having something forced on them that they don't want.

Enthusiasm, he said, is almost the natural result of conviction and sincerity. Enthusiasm is not just the effervescing or hard-driving individual with personality plus. Each person has his own particular way of expressing his enthusiasm but it is a necessary quality for success.

Like Doctor or Lawyer

Mr. Worthington compared the successful producer to the successful physician who shows his salesmanship in building a group of patients almost entirely on the basis of confidence.

"I wonder if we haven't a lot to learn from the doctor or attorney building a practice," he said. "They are not trying to extract fees from every one they meet. They try to gain the confidence of a group of people, patients or clients, by demonstrating a desire to help the patient and not to have the patient help them. There is a lot of power in that attitude of mind, yet how many men in this business use it? If we want more prestige, let's do more things to raise that prestige. Whatever selling procedures we use, let's be sure it is a part of us and that we are warm and human in our every day contacts with clients."

Dr. G. E. Woodford, medical director, discussed problems due to the decrease in number of civilian physicians. M. L. Cleaves, underwriting secretary, explained some of the problems currently confronting his department.

O. C. Lincoln, actuary, said that if the 1933 mortality rate had prevailed in 1943, the company would have paid out \$650,000 more in claims last year than it did.

J. F. Walsh, assistant superintendent of agencies, disclosed that the average size policy had increased from \$6,646 in 1942 to \$7,771 at the end of 1943, an all-time high. The average production for each full time agent for 1943 was \$210,000 and the average production per man per month under contract was \$20,048.

J. H. Evans, manager of the sales planning division, presented a revised training program, the result of many months' work.

E. C. Kelly, Jr., assistant superintendent of agencies, led an all-day session on recruiting results and outlined plans for future operation. The company has just completed a highly successful recruiting campaign.

The president's trophy awarded for the best 1943 accomplishment in agency building and management went to A. R. Klein of Chicago. Mr. Worthington announced a new designation to be known as the Home Life "M," an award of merit for outstanding accomplishment by either managers or agents. The award will be presented in person by the president.

Assured Loses Fight to Recover Amount Paid for Contract Affected by Tax

On a second trial in Colorado federal court, the suit against Sun Life of Canada on the part of an assured to recover \$44,000 that he paid for a combination single premium insurance and annuity contract was dismissed. Mr. Fawcett, the assured, sought to recover on the ground that the proceeds of such policies were not free from estate taxes contrary to what he claimed was the representation of the Sun Life agent, Lee W. Doud.

The lower court originally dismissed the action but the U. S. circuit court of appeals remanded the case declaring that although ordinarily statements relating to matters of law are not actionable, this case falls within the exception to the general rule, since Mr. Fawcett relied on the statements of one claiming to have a superior knowledge.

At the second trial, the court concluded that Mr. Fawcett did not prove that the statements of Mr. Doud were made with fraudulent intent or with a reckless disregard of their truth. Mr. Fawcett did consult or had full opportunity to consult his attorney. He was a man of considerable business experience and he deliberated a year and a half before buying the contract.

Mr. Doud testified that he had consulted the head of the estates division of the internal revenue office in Denver and was advised by that official that in his opinion the proposed contracts were insurance and came within the then \$40,000 statutory exemption and were not subject to estate taxes. There was considerable difference of opinion among the appellate courts when the question of law that Mr. Doud advised Mr. Fawcett on came before them. There would seem to be some justification for Mr. Doud's statement. Mr. Fawcett bought the policy in 1939 and in 1941 the U. S. Supreme Court held that the \$40,000 estate tax exemption did not apply to contracts of this kind. Mr. Fawcett paid \$44,000 for the contract under which there was to be paid to beneficiaries \$40,000 at the time of his death and he was to receive an annuity of \$1,049 a year during his life.

Hudson Moore of Denver was attorney for Mr. Fawcett and W. S. Howard of Denver represented Sun Life.

NLRB Report Is Made

WASHINGTON — National Labor Relations Board has made public an intermediate report of its trial examiner in four cases involving Western & Southern Life and American Federation of Industrial & Ordinary Insurance Agents Union (in 3 cases), AFL, and Industrial Insurance Agents Union, CIO.

The complaint involved alleged company activities at Cleveland, Zanesville, and Pittsburgh. The examiner reaches the conclusion of law that the company engaged in unfair labor practices affecting commerce. He recommends the company be ordered to stop discouraging membership in either of the unions by discriminating practices; interfering with, restraining, or coercing employees regarding labor organizations, also to offer to reinstate three employees and make good their loss of pay suffered from alleged discrimination against them.

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SUMMARY 57th ANNUAL REPORT 1943

INSURANCE IN FORCE.....	\$727,387,966
(Including Deferred Annuities)	
NEW INSURANCE	82,786,687
(Including Deferred Annuities)	
ASSETS	241,424,890
INCOME	42,669,420
CONTINGENCY RESERVE AND SURPLUS...	11,551,299

Payments to Policyholders and Beneficiaries since the inception of the Company total \$288,800,187

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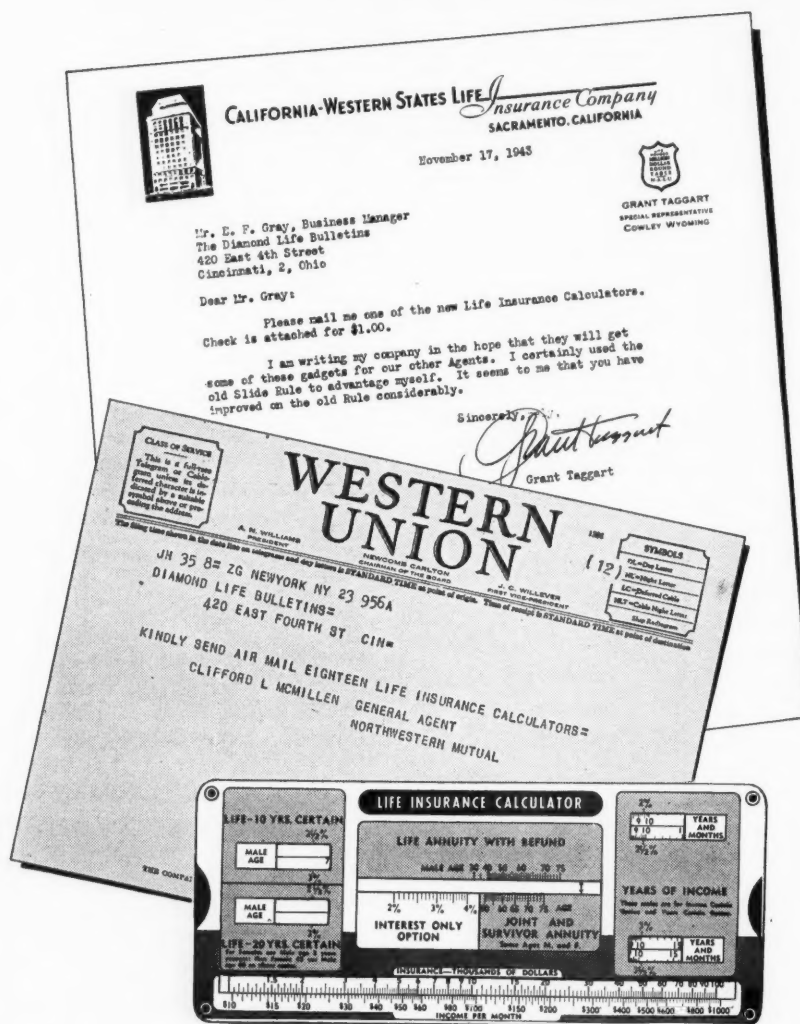
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